THE MID-PLAN REVIEW OF THE THIRD FIVE YEAR PLAN (1965-70)

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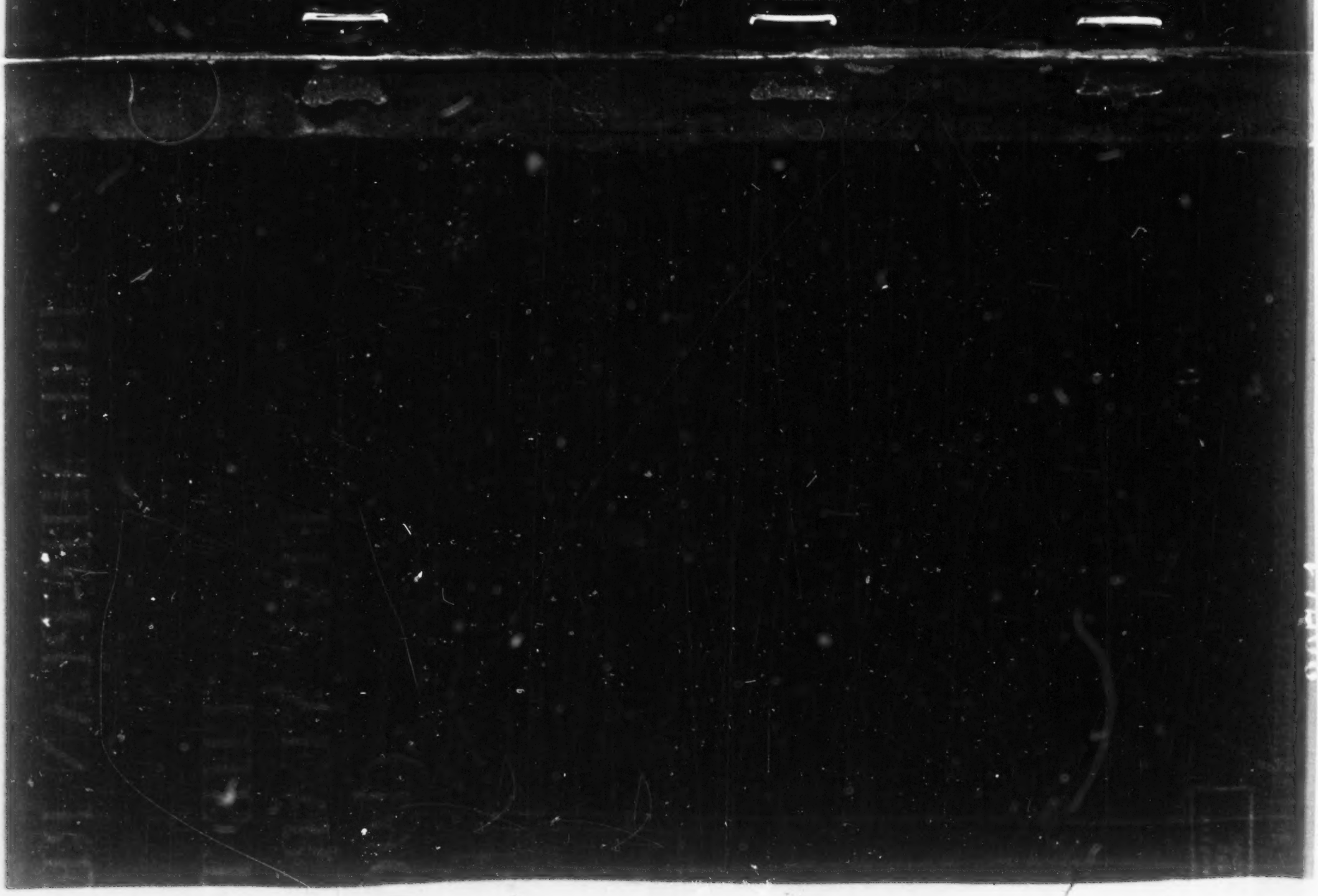

FOREWORD

The end of 1967 marked the mid-point of the Third Five Year Plan and also a turning point in our economic fortunes. This document is a review of the progress achieved in the first half of the Plan and the problems and prospects as they appear today for the balance of the Plan period. The Review brings out the pragmatic but determined response of the entire economic system to the combined challenges of the last three years. Few Plans could have faced a more difficult set of circumstances. And yet, we can say with confidence today that the period of uneasy adjustment is over and the major objectives of the Plan are well within reach.

The Third Plan got off to a fairly difficult start. It was formulated in a climate of confidence and hope but the international scene changed abruptly and the Plan faced the discomforting prospect of a 25 per cent reduction in foreign assistance compared to the original expectations. At the same time, a grim challenge to our national survival necessitated a considerable diversion of financial resources for the defence of the country. The sudden drop in the prospective availability of financial resources for development was accompanied by abnormal weather in the first two years of the Plan which depressed agricultural growth and, thereby, denied the economy the real resources on which it had hoped to build its rather ambitious programmes of economic expansion.

Such a major change in the basic premises of the Plan could have completely upset the prospects of its orderly implementation. It is a measure of our national determination that Plan implementation was not allowed to be disrupted. Efforts were made to mobilise additional domestic resources and the priorities of the Plan were recast in favour of quick-yielding sectors and projects. The overall growth rate in the Gorss National Product is likely to be nearly 6 per cent per annum in the first three years of the Plan. The Annual Plans for the next two years are being formulated with the basic strategy of protecting the overall growth target of 6.5 per cent for the Plan period as a whole, despite a shortfall of 10 to 15 per cent in the financial implementation of the Plan.

These happy prospects could not have emerged but for a major acceleration in the production programmes in the agriculture sector. The entire energies of the Nation have been geared in the last two years to achieving a decisive breakthrough in agriculture and there are clear indications at present that the agricultural scene is going to change dramatically over the course of the current year and the balance of the Plan period. A country that has been importing foodgrains for the last 15 years will be able to attain not only self-sufficiency but export considerable foodgrain surpluses in the next few years.

There are, of course, many problems which still remain to be tackled and these are acknowledged in this Review with complete objectivity and candour. The progress in the social sectors, particularly education and manpower training, has been quite inadequate. The transition to more sophisticated and basic industries, which are needed ultimately for generating self-sustaining growth, had to be slowed down. Progress towards the objective of reducing regional economic disparities has not been upto expectations. The terms and conditions of foreign assistance have become progressively harder. These problems are receiving careful consideration in the formulation of the Annual Plans for the balance of the Third Plan period and they will constitute the dominant themes in the strategy of the Fourth Plan.

There are many lessons to be learnt from our experience so far. While we should note with satisfaction the progress that has been achieved during the first half of the Plan period, we must also carefully examine all the deficiencies and increase our efforts in the balance of the Plan period to attain our basic objectives. The difficulties in the initial period of the Third Plan and the adjustments in our policies which these necessitated lead to one major conclusion: the economy must in future rely increasingly on its own domestic efforts and the theme of self-reliance should be built into all future Plans and policies. If this is done, we would have learnt our lessons well.

M. M. AHMED
Deputy Chairman
Planning Commission

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PART I
GENERAL REVIEW

Chapter 1

OVERALL PERFORMANCE AND PROSPECTS

1.1 The Third Plan began with a sudden drop in foreign assistance and an unforeseen rise in defence requirements. The economy faced the challenge of preserving the growth targets of the Plan despite reduced financial resources. To obtain the projected growth rates with lower levels of investment, the priorities of the Plan were revised in favour of quick-yielding sectors and projects. This strategy appears to be bearing fruit and the year 1967/68 marks the end of a difficult period of adjustment. The prospects of growth, particularly in the agriculture sector, are extremely bright in the latter half of the Plan period. According to the current assessment, there may be a shortfall of about 10 to 15 per cent in the financial implementation of the Plan but the overall growth rate in the GNP is expected to be around 6.5 per cent as envisaged in the original Plan.

Growth Rates

1.2 The average growth rate in the first two years was nearly 5 per cent per annum despite poor agricultural crops. The preliminary estimates for 1967/68 project a growth rate of 7 to 8 per cent. The growth rate in the GNP during the first three years of the Plan is, therefore, likely to be nearly 6 per cent per annum as against the Plan target of 6.5 per cent. Every effort will be made to maintain an annual growth rate of at least 7 per cent in the balance of the Plan period so as to achieve the growth target originally set in the Plan.

1.3 The agricultural growth rate has picked up after a poor performance in the first two years of only 1.4 per cent per annum compared to the Third Plan target of 5 per cent and the actual achievement of 3.4 per cent in the Second Plan. In the current year, the growth rate in major crops is expected to be over 10 per cent. As such, the average growth rate in the agriculture sector for the first three years of the Plan will be at least 3.2 per cent. It is expected that good agricultural performance in the balance of the Plan period will bring this growth rate fairly close to the Plan target.

1.4 The industrial growth rate suffered during the early part of the Third Plan when adequate raw-materials were not available. The growth rate of the large-scale industries sector dropped from an average of 15 per cent per annum in the Second Plan to about 6 per cent in 1965/66 and picked up subsequently to 11 per cent in 1966/67 and an estimated 13 per cent in 1967/68. Determined efforts are currently being made to accelerate the industrial growth rate to meet the increasing domestic demand resulting from higher agricultural incomes as well as to push up exports of manufactures. Basic to this effort is the greater utilisation of installed capacity and more adequate provision of raw-materials to the industries sector.

Investment Levels

1.5 There was a major decline in total investment levels during the first year of the Third Plan. Fixed investment declined from 16.7 per cent of the GNP in 1964/65 to 13.5 per cent in 1965/66. Even in 1967/68, the investment level will barely recover to 14.5 per cent of the GNP despite the fact that the marginal rate of saving is expected to be about 28 per cent during this year. The lower level of investment is the result of a substantial reduction in the inflow of external resources which are estimated at 4.9 per cent of the GNP in 1967/68 compared with 6.8 per cent in 1964/65.

1.6 A shortfall in the development expenditure of the public sector appears to be inevitable at this stage. By the end of the first three years of the Plan, only 41 per cent of the total Plan allocation of Rs. 30,000 million will have been spent. The present indications are that total financial implementation during the Plan period may be around Rs. 25,000 million, showing a shortfall of 17 per cent below Plan targets in financial terms. In constant prices, the shortfall may be around 25 per cent. It should be mentioned here that, in an effort to protect the financial targets of the Plan, additional taxation of Rs. 6,250 million has already been levied compared to the Plan target of Rs. 3,000 million. This effort, however, will not prove adequate to prevent a shortfall in financial implementation of the Plan because of the expected drop of Rs. 2,500 million in the availability of foreign assistance for the public sector and the necessity for an extra provision of over Rs. 5,000 million for defence expenditure over the Plan period. If development expenditure to the extent of Rs. 25,000 million is implemented in the public sector during the Third Plan, it would still mean an increase of over 75 per cent compared to the Second Plan expenditure of Rs. 14,590 million.

1.7 The shortfall in the private sector is not as significant as that in the public sector. It is expected that about 56 per cent of the total Plan target of Rs. 22,000 million for the private sector will be implemented in the first three years. This estimate may, however, prove to be somewhat optimistic in the light of detailed studies on private investment under preparation at present. The performance of the private sector was lagging behind targets in the first two years of the Plan but it seems to have picked up during 1967/68 due to the larger availability of foreign credits and private savings. One of the healthy features of investment in the private sector is the increased interest in agricultural investment where substantial amounts are being spent on installation of tube-wells and on fertilizer, seeds and other elements of improved agricultural technology. The implementation of the Comprehensive Industrial Investment Schedule lagged seriously behind targets in the first two years but there has been a bunching of sanctions recently which has raised the total implementation of the Schedule to about 45 per cent by December, 1967. The industrial programme in the fields of steel production, fertilizer, chemicals, and basic industries is proceeding behind schedule. There was a considerable shift in the strategy of industrialisation in view of the reduced availability of foreign exchange, much greater emphasis was given to industries

based on domestic raw-materials, those having a quick return and those meant mainly for export or catering to the agriculture sector..

1.8 The Government undertook a determined effort to accelerate the level of development activity in East Pakistan during the Third Plan period. About 52 per cent of the total public sector expenditure is expected to be incurred in East Pakistan in the first three years of the Plan. The flow of foreign assistance to East Pakistan was also increased during this period by earmarking for it 51 per cent of the total project assistance. The Central Government also provided 72 per cent of its total development loans to East Pakistan so as to make up for its paucity of budgetary resources. Despite these efforts, it has not been possible to reduce the *per capita* income disparity between the two regions, mainly because of the disappointing level of private sector activity in East Pakistan. It is estimated that only about 22 per cent of the total private investment has taken place in East Pakistan during the first three years of the Plan as against a target of 50 per cent. Similarly, in the agriculture sector, which constitutes about two-thirds of the total income of East Pakistan, the growth rate has been fairly slow in the first two years of the Plan. The Government is devoting further attention to stimulating economic incentives for private investment and production in East Pakistan.

Balance of Payments, Price Trends and Economic Policies

1.9 The balance of payments remained under considerable strain during the first three years of the Plan. This was despite the fact that exports moved fairly well and are expected to increase by 8.2 per cent per annum during this period. The disbursements of foreign assistance were 22 per cent below Plan expectations during the same period, which reduced the level of imports. The pressure on development imports was more intense since non- development imports increased by 21 per cent above Plan projections because of the necessity of larger food and defence imports. As a result, development imports were 24 per cent less than Plan projections. A severe shortage of raw-materials developed during this period, resulting in considerable under-utilized capacity. It is expected that, with economies in food imports and larger foreign exchange earnings during the balance of the Plan period, it will become possible to make a more adequate provision for development imports than in the first three years.

1.10 The price situation came under considerable pressure during 1966/67 as a result of a severe drought in West Pakistan and adverse weather in East Pakistan. The overall price index increased by about 14 per cent during 1966/67. Most of the increase was contributed by food prices which rose by 19 per cent. In the latter half of 1967, the general price level started declining and the current expectation is that the prices will reach even lower levels after the harvesting of wheat crop in West Pakistan in April/May this year. The rate of increase in prices during the first three years will be around 5 per cent per annum as against 2 per cent per annum during the Second Plan period. The Government is taking all

period and various instruments of policy, particularly the fiscal and credit policies and import policy are being formulated in accordance with this objective.

1.11 The Government had initiated policies of economic liberalism during the Second Plan period in order to free the economy progressively from direct administrative controls and to allocate scarce resources primarily through the use of economic incentives and market mechanism. These liberal policies suffered a setback in the early period of the Third Plan because of an extreme shortage of foreign exchange and domestic resources which necessitated some degree of administrative control over allocations. However, except for the import sector, a large segment of the economy, including production, distribution and export of commodities, remained relatively free from direct controls even during this period. Recently, the Government undertook a comprehensive review of all its economic policies in order to restore liberalism wherever possible. The import policy recently announced for the January—June, 1968 period is a step in this direction. Automatic licensing has been introduced for almost all industrial raw-materials and spares. The prices of these raw-materials have been adjusted upward through selective increases in tariffs on aided imports as well as through the enlargement of cash-*cum*-bonus scheme which has raised the effective import rate to over 80 per cent above the par value for the import of most raw-materials. Export incentives through the bonus scheme have also been re-examined and the effective export rates reduced to only four. A cautious monetary policy has been pursued throughout this period in order to ensure economic growth with relative monetary stability. For 1968/69, an Annual Plan is being formulated in order to co-ordinate all the economic policies of the Government within a consistent frame-work of national priorities.

Problems and Prospects

1.12 The strategy of meeting reduced financial resources with an emphasis on investment in quick-yielding sectors and projects resulted in important changes in the sectoral balance of the Plan. To preserve he major growth targets, agriculture and export-oriented projects received special emphasis. In the agriculture sector, the response to the incentives for accelerated development has been vigorous. On current performance, it should be possible to achieve self-sufficiency in foodgrains by 1970. In fact, an exportable surplus of IRRI rice should become available during 1968/69. The total production of foodgrains in 1969/70 is estimated at 24.45 million tons as against the original Third Plan target of 21.47 million tons and actual production of 17.60 million tons in 1964/65. Industrial production is generally lagging behind Plan targets, particularly in fertilizers, steel, jute goods, chemicals and coal. Programmes for the development of physical infra-structure are, on the whole, proceeding satisfactorily. Some bottlenecks had developed in the transport and power sectors but these have been largely removed by now. The main sufferers have been the social sectors where only 33 per cent of the total Plan allocations will be spent in the first three years. The shortfalls in the edu-

possible steps to ensure a reasonable price level during the balance of the Plan cation and training sector, in particular, are likely to create major bottlenecks in the availability of skilled and trained manpower in the future.

1.13 Presently, the economy is poised for a much greater effort in the remaining period of the Third Plan. In view of the encouraging performance of the agriculture sector, the prospects of achieving the overall growth target of 6.5 per cent appear to be good. It is reasonably certain that food self-sufficiency will be achieved by 1970 and some foodgrain surpluses will become available for export. The main problems at present are how to revive the momentum of growth and investment in the industries sector and how to correct the imbalances which have arisen from the slow progress of the social sectors. These problems will receive careful consideration in the balance of the Third Plan period as well as in the formulation of the Fourth Plan.

Chapter 2

GROWTH, INVESTMENT AND SAVINGS

2.1 The overall growth rate in the first three years of the Plan is estimated at nearly 6 per cent per annum compared to the Plan target of 6.5 per cent. In the first two years of the Plan, the average growth rate is expected to be around 5 per cent but it is likely to increase to between 7 and 8 per cent in 1967/68.

2.2 The overall growth rate of 5 per cent in the GNP during the first two years of the Plan conceals widely divergent trends in regard to its main components. In fact, the non-agriculture sectors showed a growth rate of 8.3 per cent per annum which was ahead of the Third Plan target of 7.8 per cent. The failure was mainly in the agriculture sector which contributed only 0.7 per cent to the total growth during this period as against 4.3 per cent contributed by the non-agriculture sectors. The contribution made by major sectors to economic growth during the Second Plan and the first two years of the Third Plan is given in Tables I and II. Table I brings out the contribution of major sectors to economic growth, while Table II contains annual average growth rates in important sectors of the economy.

TABLE I.—*Contribution of major sectors to economic growth*

	1960/61 over 1959/60	1964/65 over 1963/64	Average Second Plan	1965/66 over 1964/65	1966/67 over 1965/66	Average 1965/66-1966/67
1. Agriculture ..	1.7	0.9	1.7	0.9	0.4	0.7
2. Non-Agriculture ..	3.5	3.6	3.8	3.8	4.9	4.3
(i) Manufacturing and Mining ..	1.1	0.9	1.1	0.6	1.0	0.8
(ii) Construction ..	0.5	0.6	0.7	(-) 0.2	0.5	0.1
(iii) Transport and Trade	1.3	0.9	1.1	1.4	1.6	1.5
(iv) Other Services	0.6	1.2	0.9	2.0	1.8	1.9
Total G.N.P. (factor cost) ..	5.2	4.5	5.5	4.7	5.3	5.0

TABLE II.—*Sectoral Growth: Annual Average* (percentage)

	Second Plan Period	1965/66 over 1964/65	1966/67 over 1965/66	Average 1965/66 1966/67	Third Plan target (5 years annual com-pounded).
1. Agriculture ..	3.4	2.0	0.9	1.4	5.0
2. Non-Agriculture	7.9	7.3	9.2	8.3	7.8
(a) Manufacturing ..	10.0	5.1	8.5	6.8	10.0
Large Scale ..	(15.0)	(6.3)	(11.0)	(8.8)	
Small Scale ..	(2.6)	(2.7)	(2.7)	(2.7)	
(b) Construction ..	24.0	(-) 5.0	12.4	3.4	7.2
(c) Other Services ..	5.8	9.5	9.0	9.2	—
G.N.P. ..	5.5	4.7	5.3	5.0	6.5

2.3 The disturbed conditions of 1965/66 naturally affected the overall growth rate which was further depressed by a sustained drought in West Pakistan and fairly adverse weather in East Pakistan during this period. The actual growth rate of 1.4 per cent per annum in the agriculture sector during this period bears no relationship to the growth potential in agriculture and is certainly not in conformity with the major acceleration in the distribution of inputs like water, fertilizer and seeds during the same period. This is borne out by the divergent experience of irrigated and non-irrigated area in West Pakistan. There was an increase of 16.7 per cent in the production of wheat in irrigated areas in 1966/67 at the same time as production on non-irrigated areas declined by 18.5 per cent

2.4 The production index for large-scale manufacturing, which is given in Table III, shows a growth rate of 6.3 per cent in 1965/66 which recovered to 11.3 per cent in the second year of the Plan. This production index is now based on 220 items of industrial production as against 32 commodities previously and, as such, provides much better information than available so far. Construction was another sector which suffered heavily from the set backs mentioned in the earlier paragraphs. Construction activity recorded the highest sectoral growth rate of 24 per cent during the Second Plan but, in 1965/66, the growth rate in this sector became negative and in 1966/67, the growth rate of 12.5 per cent showed only partial recovery from earlier depressed levels.

TABLE III.—*Quantum and Value Indices: Manufacturing Sector*
(1959/60=100)

Year	Value	Quantum
1960/61	123.4	118.7
1961/62	139.0	138.8
1962/63	161.9	159.5
1963/64	184.2	181.3
1964/65	210.6	201.7
1965/66	234.4	214.2
1966/67	274.5	237.0

2.5 With an estimated 2 million acres of irrigated land in West Pakistan under improved varieties of wheat seed, a bumper wheat crop is expected. Indications are that wheat production this year would exceed by about half a million tons or so; the target of 5.4 million tons set under the Provincial Programme of achieving self-sufficiency in food by 1969/70. In the case of rice crop in East Pakistan, although the chances are not as bright as that for wheat in West Pakistan, a reasonably good harvest of about 10.8 million tons is expected. Based on rather conservative assumptions for these two major crops (i.e. a wheat crop of 5.4 million tons in West Pakistan and 10.8 million tons of rice in East Pakistan), gross value-added in agriculture would increase by 6.7 per cent. This is expected to produce at least a 7.0 per cent rate of growth in the G.N.P. A break-down of G.N.P. by sectors, is given in Table IV.

TABLE IV.—*G. N. P. Estimates by Major Sectors (at contsant factor Cost of* 1964/65) (Million Rupees)

Sector	1964/65	1966/67	1967/68*	Growth rate (%) 1967/68/ over 1966/67	Annual average rate of growth 1964/65 over 1967/68
1	2	3	4	5	6
1. Agriculture ..	21,919	22,554	24,062	6.7	3.2
(a) Major Crops ..	12,507	12,494	13,745	10.0	3.2
(b) Other Agriculture	9,412	10,060	10,317	2.6	3.1

*Based on the assumption underlying the Food self-sufficiency Progrmmes in respect of crop projection with the following modifications: 10·8 million tons of rice and 29,000 tons (65 million lbs) of tea in East Pakistan as against the targets of 11·4 million tons and 30,000 tons respectively.

1	2	3	4	5	6
2. Manufacturing ..	5,042	5,752	6,310	9.7	7.8
(a) Large-Scale ..	3,381	4,000	4,510	12.8	10.1
(i) Consumer goods	—	2,250	2,520	12.0	—
(ii) Intermediate goods	—	1,100	1,240	12.7	—
(iii) Investment goods	—	650	750	15.4	—
(b) Small-Scale ..	1,661	1,752	1,800	2.7	2.7
3. Construction ..	2,057	2,197	2,472	12.5	6.3
4. Transport and Communications ..	2,809	3,568	3,750	5.1	10.1
5. Others	13,708	16,144	17,156	6.3	7.8
G.N.P.	45,535	50,215	53,750	7.0	5.7

Savings and Investment

2.6 Investment in 1966/67 is estimated to have reached the level of Rs. 8,517 million, indicating a sharp increase of 20 per cent over the previous year which had suffered heavily under the impact of war and suspension of foreign assistance. Investment activity has thus regained the momentum lost during the time of disturbance and in financial terms exceeded the 1964/65 level by a margin of about 5 per cent as shown in Table V. The level of investment is projected to be Rs. 9,935 million in 1967/68, about 17 per cent higher than the previous year.

TABLE V.—*Investment Expenditures*, 1964/65 to 1967/68

(Million Rupees)

	1964/65	1965/66	1966/67	1967/68
Public Sector Dev. Expenditure (a)	3,965	3,110	4,150	5,000
Non-Inv. Dev. Exp. (b) ..	835	680	910	1,150
Government fixed investment (Inc. rural works)	3,130	2,430	3,240	3,850
Private Investment (c)	4,011	3,628	4,317	5,285
Monetized	3,431	3,078	3,737	4,685
Non-mentized	580	550	580	600
Indus Basin works (d)	925	1,020	960	800
Total (fixed investment) ..	8,066	7,078	8,517	9,935

Source: (a) Mid-Plan Review preliminary draft Chapter III, Table II.
(b) Pakistan Budgets. The Budget estimates for 1967/68 adjusted for a short-fall of Rs. 700 million in the total programme.
(c) C.S.O.
(d) WAPDA.

2.7 The year 1966/67 also showed a good deal of recovery in respect of the growth of financial resources mobilized domestically to make up for the diminution of external resources for maintaining the 1964/65 level of investment. Decline in investment during the first year of the Plan was by and large the consequence of a steep decline of over 30 per cent in the net inflow of external resources over the preceding year. The savings effort maintained its level of the previous year and increased during the second year of the Plan by about 11 per cent over the level attained in 1964/65. Savings as a percentage of the G.N.P. declined from 9.9 per cent in 1964/65 to 8.2 per cent in 1966/67 but are expected to recover to 9.6 per cent in 1967/68.

2.8 Summary of the savings and investment estimates is given in Table VI.

TABLE. VI—*Savings and Investment (current prices)*

(Million Rupees)

	1964/65	1965/66	1966/67	1967/68
1. G.N.P. at current factor cost ..	45,335	49,685	60,200	64,410
2. Indirect taxes net of subsidies ..	2,630	2,823	3,761	4,150
3. G.N.P. at market prices ..	48,165	52,508	63,961	68,560
4. Total fixed investment ..	8,066	7,078	8,517	9,935
5. Net External resources inflow ..	3,293	2,364	3,272	3,383
6. National Savings	4,773	4,714	5,245	6,552
7. As a percentage of G.N.P. ..				
Investment	16.7	13.5	13.3	14.5
Saving	9.9	9.0	8.2	9.6
External Resources	6.8	4.5	5.1	4.9
8. Marginal Rate of Saving (percentage)	—	(-)1. 4	4.6	28.4

2.9 Investment expenditures differ conceptually from development expenditures as the latter exclude non-monetized investment, Indus Basin expenditures and the changes in stocks, but include certain developmental outlays such as expenditures on fertilizers, pesticides, new seeds etc. After applying these adjustments, development expenditures for the years from 1964/65 to 1966/67 are given in Table VII.

TABLE VII.—*Development Expenditures*, 1964/65 to 1966/67

(Million Rupees).

Year	Revised Plan Target			Implementation		
	Government financed Sector	Private Sector	Total	Government financed Sector	Private Sector	Total
1964/65	—	—	—	3,965	3,571	7,536
1965/66	3,420	3,700	7,120	3,110	3,220	6,330
1966/67	5,000	4,000	9,000	4,150	4,000	8,150
1967/68	6,000	4,300	10,300	5,000	5,030	10,030
Total (1965-68) ..	14,420	12,000	26,420	12,260	12,250	24,510
Implementation (as percentage of target)	—	—	—	85	102	93

It would be observed that during the first three years of the Plan, there has been a shortfall of about 7 per cent in the overall Plan expenditures as compared with the revised Plan phasings. In fact, the shortfall may have been larger as private investment estimates are likely to turn out to be optimistic. It will also seen that the short-fall mainly confined to the public sector (15 per cent).

2.10 The overall total for the first three years indicates an implementation of less than half (Rs. 24,510 million) of the total size of the Third Plan (Rs. 52,000 million). Indications are that, with a determined acceleration in the balance of the Plan period, the private sector will reach its financial targets while the public sector is likely to experience some significant shortfalls (See Chapter III).

Chapter 3

PUBLIC SECTOR DEVELOPMENT EXPENDITURE

3.1 It is expected that about 41 per cent of the total public sector Plan expenditure of Rs. 30,000 million will be implemented in the first three years of the Plan. Efforts are currently being made to accelerate the level of development expenditure in the remaining period of the Plan. It is difficult to say at present as to what would be the total level of public sector development expenditure during the entire Plan period but roughly it may be around Rs. 25,000 million. Thus, at the present stage, it appears that there will be a shortfall of about 17 per cent in the financial targets of the Plan. In terms of constant prices, the shortfall is likely to be larger, about 25 per cent. The implementation in the first three years as compared with the revised Plan phasing is g ven in Table I below:—

TABLE I.—*Public Sector Development Expenditure*

(Million Rupees)

Year	Revised Plan phasing	Estimated Expenditure	Percentage Implementation (col. 3 of col. 27
1	2	3	4
1965/66	3,420	3,113	91
1966/67	5,000	4,150	91
1967/68	6,000	5,000	83
Total ..	14,42[illegible]	12,263	85

3.2 The stringency of financial resources necessitated a recasting of sectoral priorities. Long gestation projects had to be slowed down. On the other hand, the essential programmes in agriculture, transport, water and power and other infrastructure development were fully protected in order to achieve the growth of the economy as envisaged in the Plan.

3.3 The sector-wise details of public sector expenditures by executing agencies are given in Table II below:—

TABLE II.—PUBLIC SECTOR DEVELOPMENT EXPENDITURE BY EXECUTING AUTHORITIES

(Million Rupees)

Sector	1965/66 (Actual)				1966/67 (Estimated Actual)				1967/68 (Preliminary Estimates)				Total estimated expenditure during 1965—68
	E. Pak.	W. Pak.	Centre	Total	E. Pak.	W. Pak.	Centre	Total	E. Pak.	W. Pak.	Centre	Total	
Agriculture ..	150	169	20	339	207	183	32	422	310	216	54	580	1,341
Manufacturing and Mining	215	93	80	388	291	89	105	485	348	123	79	550	1,423
Water and Power	348	463	72	883	631	623	71	1,325	763	737	100	1,600	3,808
Transport and Communications	201	339	202	742	260	361	411	1,032	300	400	420	1,120	2,894
Physical Planning and Housing	79	43	155	277	126	75	146	347	154	102	169	425	1,049
Education and Training	82	55	5	142	152	68	15	235	180	99	26	305	682
Health and Medical Services	75	56	12	143	78	56	14	148	100	70	25	195	486
Social Welfare Services	1	2	3	6	3	2	3	8	6	7	2	15	29
Manpower Training and Labour	2	2	—	4	4	3	—	7	5	4	1	10	21
Works Programme	101	86	2	189	121	17	3	141	126	70	4	200	530
Total:	1,254	1,308	551	3,113	1,873	1,477	800	4,150	2,292	1,828	880	5,000	12,263

Note: These figures are derived from the Government budgets and are not necessarily consistent with the figures of financial implementation reported in the sectoral chapters which are based on the reports of the implementing agencies. The discrepancies represent time-lag in the reporting of data and completion of final accounts.

3.4 The estimated sector-wise development expenditure likely to be incurred during the first three years is compared with the total Revised Plan allocation is given in Table III

TABLE III.—SECTORAL DISTRIBUTION OF THE DEVELOPMENT EXPENDITURE IN THE GOVERNMENT-FINANCED SECTOR

(Million Rupees)

Sector	Revised Plan Allocation	1965/66 (Actual)	1966/67 (Estimated actual)	1967/68 (Preliminary Estimates)	Total estimated expenditure during 1965—68	Percentage Implementation
1	2	3	4	5	6	7
Agriculture ..	4,115	339	422	580	1,341	33
Manufacturing and Mining ..	4,105	388	485	550	1,423	35
Water and Power ..	8,047	883	1,325	1,600	3,808	47
Transport and Communications ..	6,711	742	1,032	1,120	2,894	43
Physical Planning and Housing ..	2,477	277	345	425	1,049	42
Education and Training ..	2,374	142	235	305	682	29
Health and Medical Services ..	1,175	143	148	195	486	41
Social Welfare ..	90	6	6	15	29	32
Manpower Training and Labour ..	86	4	7	10	21	24
Works Programme	1,820	189	141	200	530	29
Total: ..	31,000	3,113	4,150	5,000	12,263	
Less likely shortfall	1,000	—	—	—	—	—
Total (Net) ..	30,000	3,113	4,150	5,000	12,263	41

See footnote under Table II, page 13.

3.5 As against the overall implementation of 41 per cent in the public sector programme during the first three years, the implementation has been slower in the social sectors, like Education and Traihning, Social Welfare, Manpower Training and Labour and Works Programme. The heavy shortfall in the social sectors are likely to create serious shortages of technical personnel in future.

Regional Expenditure

3.6 The Plan provided for 53 per cent of the public sector outlay in East Pakistan and 47 per cent in West Pakistan. Estimates actual expenditure during the first three years indicate that about 52 per cent will be increased in East Pakistan against 48 per cent in West Pakistan. In the first year, the expenditure in East Pakistan was depressed since not many new schemes could be accommodated in the reduced hardcore development programme on account of paucity of resources. In the two subsequent years, however, the expenditure in East Pakistan jumped up from Rs. 1,472 million in 1965/66 to Rs. 2,190 million 1966/67 and is expected to be Rs. 2,715 million in 1967/68 as will be seen below:—

(Million Rupees)

Year	East Pakistan	West Pakistan	Total
1965/66	1,472	1,641	3,113
1966/67	2,190	1,960	4,150
1967/68	2,715	2,285	5,000
Total ..	6,377	5,886	12,263

3.7 The sector-wise details of the regional expenditure and the distribution of the Provincial and Central expenditure on a regional basis is given in Table IV. below:—

TABLE IV—*Development Expenditure during 1965-68 on Regional Basis*

(Million Rupees)

Sector	East Pakistan			West Pakistan			Grand Total (Col. 4 & Col. 7)
	Provincial Expenditure	Central Expenditure	Total	Provincial Expenditure	Central Expenditure	Total	
1	2	3	4	5	6	7	8
Agriculture	667	48	715	568	58	626	1,341
Manufacturing and Mining	854	134	988	305	130	435	1,423
Water and Power ..	1,742	85	1,827	1,823	158	1,981	3,808
Transport and Communications	761	415	1,176	1,100	618	1,718	2,894
Physical Planning and Housing	359	230	589	220	240	460	1,049
Education and Training ..	414	23	437	222	23	245	682
Health and Medical Services	253	19	272	182	32	214	486

1	2	3	4	5	6	7	8
Social Welfare Services ..	10	4	14	11	4	15	29
Manpower Training and Labour	11	—	11	9	1	10	21
Works Programme ..	348	—	348	173	9	182	530
Total: ..	5,419	958	6,377	4,613	1,273	5,886	12,263

Note:— For year-wise details, see Table 3.1 (Statistical Appendix.)

Public Sector Financing

3.8 The financing of public sector development expenditure as envisaged in the original Plan and resources likely to be mobilised during the first three years of the Plan is given in Table V below:—

TABLE V.—*Public Sector Financing*

(Million Rupees)

	Plan Projection (1965-70)	Estimated Actuals			Total
		1965/66	1966/67	1967/68	
1	2	3	4	5	6
A. Domestic Resources:					
Revenue surplus (at 1964/65 tax rates) ..	8,600	(—)679	177	653	151
Additional Taxation	3,000	589	1,249	1,352	3,190
Net Capital Receipts	2,400	268	672	208	1,148
Deficit Financing	1,500	1,525	45	337	1,907
Possible Additional Resources ..	1,000				
Sub-total (A) ..	16,500	1,703	2,143	2,550	6,396
B. External Resources:					
Project Assistance ..	6,500	681	619	1,100	2,400
Technical Assistance ..	500	77	100	100	277

Commodity Aid ..	5,500	552	920	950	2,422
PL-480 Counterpart funds	1,000	100	368	300	768
Sub-total (B) ..	13,500	1,410	2,007	2,450	5,867
Total (A + B) ..	30,000	3,113	4,150	5,000	12,263
Domestic Resources (percentage)	55	55	51	51	52
Foreign Resources (percentage)	45	45	49	49	48

3.9 The original Plan projections of domestic and external resources were based on the expectation of normal conditions continuing and the growth of the economy as projected in the Plan. However, the abnormal conditions with which the country was faced in the first two years considerably distorted the pattern of Government receipts and expenditures. The shortfall in inflow of external assistance also had a depressing effect on the tax receipts. On the other hand, the expenditure on defence increased by nearly 100 per cent in 1965/66 over the level in 1964/65. The level of defence expenditure has been reduced subsequently but the estimates on this account for future years are also substantially higher than the level at which these were projected at the time the Plan was formulated. In order to meet these additional defence requirements and to protect the Plan as far as possible, substantial additional taxation was levied during the first two years. A large dose of deficit financing was also injected in the economy in 1965/66. It is estimated that as against the Plan expectation of Rs. 3,000 million on account of additional taxation, the new tax measures introduced in the first three years would raise additional revenues of the order of Rs. 6,250 million over the Plan period as shown in Table VI below:—

TABLE VI.—*Total Revenue Effect of New Taxation levied during the first three years of the Third Plan*

(Million Rupees)

	1965/66	1966/67	1967/68	1968/69	1969/70	Total (1965-70)
1965/66						
Centre	297	317	340	370	400	1,724
East Pakistan ..	10	11	12	13	14	60
West Pakistan ..	41	45	50	55	60	251
Defence Surcharge (November budget) ..	241	519	556	595	638	2,549
Total: ..	589	892	958	1,033	1,112	4,584

1966/67						
Centre	—	321	351	383	419	1,474
East Pakistan ..	—	11	12	13	14	50
West Pakistan ..	—	25	26	28	30	109
To al ..	—	357	389	424	463	1,633
1967/68						
Centre	—	—	(—)15	(—)11	(—)7	(—)33
East Pakistan ..	—	—	20	22	24	66
West Pakistan ..	—	—	—	—	—	—
Total ..	—	—	5	11	17	33
Grand Total ..	589	1,249	1,352	1,468	1,592	6,250

3.10 The Plan envisaged that 55 per cent of the total resources will be raised domestically and the balance of 45 per cent will come from external sources. According to the current projection of resources, this ratio is likely to be realized over the course of the Plan period. This is a creditable performance considering the additional claims of the defence sector. The recurring expenditure of administrative and development departments has been contained within reasonable limits and the overall increase on this account is expected to be around 8 per cent per annum as against 9 per cent per annum recorded during the Second Plan period. In fact, excluding defence, debt servicing and non-development expenditure of development departments (which includes a major element of recurring liabilities of completed development schemes), the annual increase in administrative expenditure has been around 2 to 3 per cent per annum.

3.11 The comparison of the original Plan estimates of revenue receipts and non-development expenditure with actual realisation during the first three years of the Plan is shown in Table VII below:—

TABLE VII.—*Government Revenues and Non-Development Expenditures during* 1965—68

(Million Rupees)

	Plan Target (1965-70)	Actuals for the first three years	Percentage of Plan Target
Revenues			
Tax Revenues	27,631	15,661	57
Non-tax Revenues	6,724	5,971	89
Total, ..	34,355	21,632	64

Non-Development Expenditures			
Defence	6,890	7,285	106
General Administration ..	6,462	4,601	71
Development Departments ..	5,855	2,810	48
Debt Services	3,548	3,595	102
Total ..	22,755	18,291	80
Revenue Surplus including effect of new taxes	11,600	3,341	29

Credit, Monetary and Price Situation

3.12 The Third Plan envisaged the safe limits of monetary expansion in the range of 8.8 to 11.1 per cent per annum against 10 per cent experienced during the Second Plan. During the first half of the current Plan, monetary expansion has been at the rate of 8.5 per cent per annum.

3.13 The causative analysis of changes in money supply during this period is presented in Table VIII below:—

TABLE VIII.—*Causative Analysis of Monetary Expansion*

(Million Rupees)

	1965/66	1966/67	1967/68 (July—Dec. 1967)
Changes in Money Supply ..	1,221.5	540.7	166.3
1. Domestic Private Sector ..	366.3	1,935.9(iii)	661.6
Adjusted for time deposits ..	(—)810.9	(—)1,101.4	(—)282.0
Net private sector	(—)444.6	834.5	379.6
2. Government sector	1,432.7(i)	32.8(iv)	409.6(v)
Adjusted for counterpart funds	249.8	(—)10.4	(—)208.7
Net government sector ..	1,682.5	22.4	200.9
3. Foreign sector	153.9(ii)	(—)493.1	(—)15.7(vi)
4. IBRD Indus account ..	(—)52.7	60.2	(—)27.1
5. Other factors	(—)117.6	116.7	(—)371.4
Total causative factors ..	1,221. 5	540.7	166.3

(*i*) Adjusted for creation of *ad hoc* of Rs. 45.2 million for the purchase of gold to meet increased quota obligation to IMF.

(*ii*) Adjusted for purchase of foreign currency from IMF.

(*iii*) Adjusted for foreign currency loans made by IDBP.

(*iv*) (*a*) Adjusted for creation of *ad hoc* of Rs. 176.3 million to cover partly the decline of Rs. 226.3 million in the book value of Indian Rupee note and securities held by State Bank consequent on the devaluation of Indian Rupee;

(*b*) For approved external securities of Rs. 70.5 million deposited by foreign banks with the State Bank; and

(*c*) For Rs. 7.6 million for debiting the Central Government deposits with the State Bank on account of payment of foreign exchange portion of first instalment of subscription to Asian Development Bank.

(*v*) (*a*) Adjustment for retirement of *ad hocs* created on account of Indian Rupee devaluation.

(*b*) Adjusted on account of Pound Sterling devaluation.

(*vi*) As in *v* (*b*) above.

3.14 During the first year of the Plan, the expansion in money supply resulted primarily from the government deficit. During 1965/66, Government borrowing from the banks and cash balance utilization amounted to Rs. 1,433 million while loans to the private sector increased by only Rs. 366 million.

3.15 During the second year of the Plan, the expansion in money supply was primarily due to the operations of the private sector. The private sector borrowing, including investments in private securities, amounted to Rs. 1,936 million while government borrowing from banks and cash balance utilization amounted to only Rs. 33 million. During the later half of 1966 and early 1967 various selective credit control measures were aken to curb the excess demand in the private sector. The money supply consequently declined by Rs. 504 million in the first half of 1967 and price increase was also checked. The selective credit control measures were supplemented in June 1967 by raising the cash reserve requirements from 5 to 6.25 per cent and liquidity ratio from 20 to 25 per cent.

3.16 The differences in these two years are quite understandable, the government borrowing during 1965/66 was a result of the war and subsequent budget deficit. The private borrowing during the next year was due mainly to the pick up of the private sector investments.

3.17 The combined effect of the public and private borrowing was an increase of Rs. 1,762 million in money supply during the first two years of the Plan period. This coupled with two successive crop failures, which led to a large increase in

foodgrain prices, produced a rise of 18.4 per cent in the wholesale prices during the first two years of the Plan. Faced with this situation, the Government imposed a tight monetary and fiscal policy. The contractionary phase which started towards the end of 1966 continued up to September 1967, after which an expansionary phase has started in consonance with the credit requirements of the economy.

Price Situation

3.18 During the first half of the Third Plan, the rate of increase in prices was roughly 5 per cent per annum as compared to 2 per cent per annum during the Second Plan. The picture is summarised in the Table IX below:—

TABLE IX.—*Percentage Price changes by major commodity groups*

	Second Plan (1960/64)	1964/65	1965/66	1966/67	1967/68 (June—Dec. 1967)
Food ..	12.1	7.5	4.6	19.1	5.3
Raw-materials	21.4	15.2	3.2	(—)0.4	(—)1.8
Fuel, lighting, etc.	4.8	0.3	3.5	8.8	1.2
Manufactures	7.1	1.2	5.8	2.9	3.1
Overall ..	12.4	7.5	4.5	13.9	(—)3.8
East Pakistan	11.3	8.5	10.3	15.3	(—)8.6
West Pakistan	13.6	6.8	(—)1.3	11.0	2.2

3.19 The increase in prices during 1965/66 occurred only in East Pakistan and is accounted for by the rise in the price of rice. But it was in 1966/67 that the greatest part of the price increase occurred. Wholesale prices rose by 14 per cent during the year. Food prices led the increase: the price of wheat rose by 95 per cent between January 1966 and January 1967, that of riceby 33 per cent from October 1965 to October 1966.

3.20 During the first six months of the current year, i.e., June to December 1967, the wholesale price index declined by 3.8 per cent compared to an increase of 6.6 per cent during the corresponding period last year. The cumulative decline since January 1967 is 6.5 per cent. Food prices have started returning to more normal levels. Prospects for the remainder of the year remain favourable. The record wheat and rice crops expected this year should have a moderating influence on the general price level.

Chapter 4

PRIVATE SECTOR DEVELOPMENT EXPENDITURE

4.1 It is notoriously difficult to make any accurate estimates of investment in the private sector. An effort has been made here to assess all the evidence available from various sources and arrive at a tentative estimate regarding the current level of private investment in relation to the Plan target. The Central Statistical Office has provided certain detailed estimates of private investment recently which have been used here as the basis of evaluation. It should be mentioned, however, that considerable refinement in these estimates is possible and these should be treated as provisional for the present.

4.2 In overall terms, private development expenditure in the first three years of the Plan is expected to be 56 per cent of the total Plan target of Rs. 22,000 million, as shown in Table 1. below:—

TABLE I.—*Private Sector Development Expenditure*

(Million Rupees)

Year	Revised Plan Target	Estimated Imple-mentation	Percentage Imple-mentation
1964/65	—	3,571	87
1965/66	3,700	3,220	100
1966/67	4,000	4,000	117
1967/68 (Preliminary estimates)	4,300	5,030	102
Total (1965-68)	12,000	12,250	

The private sector development expenditure during 1965-68 was Rs. 12,250 million compared to an expectation of Rs. 12,000 million in the revised phasing of the Plan. Thus, it appears that the implementation in the private sector was in excess of the Plan expectations. This may, however, be an optimistic assessment of the situation since preliminary estimates for 1967/68 provided by the C.S.O. show a considerable acceleration in private investment over the level of 1966/67 which may not actually materialize. All that can be said, in view of the purely provisional nature of these estimates, is that the shortfall in private investment compared to the Plan target is not likely to be very significant during this period.

4.3 As can be seen from Table 1, above the level of private inves ment dropped by about 10 per cent in the first year of the Plan as a result of interruption of foreign assistance and a general reduction in the availability of resources. In the subsequent year, the level of private investment appears to have picked up but it should be noted that, in term of constant prices, private investment activity during 1966/67 was

still below the level of 1964/65. It is expected, however, that the improved availability of foreign credits, domestic savings and physical inputs required by the private sector should provide for an acceleration in private investment during 1968/69.

4.4 According to the regional composition of this investment, 22 per cent of the total investment took place in East Pakistan and 78 per cent in West Pakistan. As is analysed in Chapter 6, the level of industrial investment was particularly disappointing in East Pakistan. A detailed analysis is currently underway to find out the causes of slow rate of capital formation in East Pakistan and uggest suitable measures to accelerate the pace of private investment in that region.

4.5 The sectoral composition of the private sector investment is given in Table II.below :—

TABLE II.—*Estimates of Private Investment during* 1964/65 *to* 1967/68

(Million Rupees)

	1964/65	1965/66	1966/67	1967/68 (Preliminary) estimates	Total (1965/66-1967/68)	
					Amount	Percentage of Total
i) Agriculture ..	206	293	437	567	1,297	11.3
ii) Mining and Quarrying	19	14	15	15	44	0.4
iii) Manufacturing Industries:						
(a) Large Scale ..	1,777	1,274	1,765	2,445	5,484	47.7
(b) Small Scale ..	218	224	226	235	685	6.0
iv) Construction ..	606	733	778	818	2,329	20.2
v) Electricity and Gas ..	207	150	198	234	582	5.0
vi) Tran port and Communications	361	350	265	301	916	8.0
vii) Banking and Insurance	37	40	53	70	163	1.4
Total fixed investment	3,431	3,078	3,717	4,685	11,500	100.0
Non-Investment development expenditure* ..	140	142	263	345	750	—
Total Development expenditure.. ..	3,571	3,220	4,000	5,030	12,250	—

* Expenditure on fertilizer, better seeds etc.
Source :— Information in respect of fixed investment (i to vii) has been supplied by the Central Statislical Office.

The bulk of this investment (48 per cent) went into large scale manufacturing industries, about 20 per ent was devoted to investment in construction, 8 per cent to ransport and about 11 per cent to investment in the agriculture sector.

4.6 At the beginning of the Third Plan period, a Comprehensive Industrial Investment Schedule was drawn up with a total provision of Rs. 10,885 million, 93.3 per cent in large scale industries and about 6.7 per cent in small scale industries. However, the Investment Schedule had to be held in abeyance in the very first year of the Third Plan in view of the impending shortage of financial resources and the need to recast the priorities of the Schedule in the light of the changed situation. Industrial sanctions were given during this period within the framework of a priority schedule drawn up by the Ministry of Industries and on a case-by-case basis. This naturally affected the tempo of industrial sanctions and, in the first two years of the Plan, only 24 per cent of the Industrial Investment Schedule had been sanctioned. The pace of sanctions has picked up in 1967/68 due mainly to the bunching of large sanctions for fertilizer plants. As a result, total industrial sanctions by December 1967, amounted to about 57 per cent of the investment target laid down in the Plan and 43 per cent of the Investment Schedule. The Industrial Investment Schedule has already been thoroughly revised and the new Schedule is likely to be released shortly. The new order of priorities established in the revised Schedule emphasises industries based on domestic raw-materials or catering to the agriculture sector or meant for export. Allocations to industries making a large claim on foreign exchange resources have been drastically reduced.

4.7 There is evidence of considerable acceleration in private investment in the agricultural sector. The major increase in agricultural production is taking place on middle-sized commercial farms which are saving and reinvesting a large portion of this additional income. According to recent estimates, the total number of private tubewells installed during 1965/66 was around 6,000 while in 1966/67 it is estimated to be between 8,000 to 10,000. The consumption of fertilizer increased by about 45 per cent in 1966/67 over the level of 1964/65. Again, the farmers are spending considerable amounts on acquiring new varieties of seeds and other ingredients of the new agricultural technology. It is roughly estimated that as much as 20 to 25 per cent of the additional income on the farms is being saved and re-invested.

4.8 It is not possible at this stage to give a complete financing picture for the private sector. Work is currently underway to construct a flow of funds analysis for the private sector which would not only provide good information regarding the sources of financing but also help refine the estimates of private investment. From the information that is presently available, it appears that the financial institutions like PICIC, IDBP and ADB provided about Rs. 529 million of credit to the private sector during 1966/67. The total availability of foreign credits to the private sector in recent years has been around the level of Rs. 600 million per annum. As was the previous experience, a considerable part of industrial expansion has been financed from re-investment of profits in the large-scale industrial sector. However, as mentioned earlier, it is not possible at present to give a complete analysis of the financing of the private sector.

Chapter 5

BALANCE OF PAYMENTS AND EXTERNAL RESOURCES

5.1 The balance of payments position in the first three years of the Plan is expected to show marked variations from the estimates of the Third FiveYear Plan. Imports during this period are now estimated to be 7.5 per cent lower than the original Plan projections; exports, on the other hand, may be slightly higher than the Plan projections. The foreign exchange gap is consequently likely to be Rs. 7,234 million as against Rs. 8,850 million envisaged in the Plan as can be seen in the Table I below:—

Table I.—*Balance of Payments during the first three years of the Plan*

(Million Rupees)

	Plan Projections	Current Estimates	Percentage (Col. 3 of Col. 2)
1	2	3	4
Total Imports	19,650	18,192	92.5
Total Exports	10,800	10,824	100.0
Changes in Reserves and other short-term movements	—	(—)134	—
Gap ..	8,850	7,234	—

5.2 The shortfall in development imports is likely to be even sharper than that in total imports, viz, 24 per cent compared to the original Plan targets, because the availability of foreign assistance, in terms of actual disbursements, was 22 per cent lower than expected and the bulk of the increase in the country's own foreign exchange earnings was pre-empted by larger food and defence imports. The level of development imports has, however, been rising rapidly and will be only 20 per cent less than the Plan projections in 1967/68 compared to 33 per cent in 1965/66.

5.3 A stat ment summarizing the balance of payments position is p esented in Table 5.1 (Statistical Appendix).

Exports

5.4 Foreign exchange earnings increased from Rs 3,015 million in 1964/65 to Rs 3,580 million in 1966/67, or at about 9 pe cent per annum between 1964/65 and 1966/67, compared to an annual increase of 9.5 per cent forecast in the Third Plan. Preliminary estimates for 1967/68 indicate a further rise of 7.5 per cent

over 1966/67. A breakdown of export earnings during the first three years of the Plan with corresponding data for 1964/65 is given in Table 5.2 A, B and C (Statistical Appendix).

5.5 The export of major primary and manufactured commodities has shown a different trend than actually assumed during the Third Plan, mainly due to changes in the composition of exportable items, lower output of some agricultural commodities and fluctuating world price trends.

5.6 Total foreign exchange earnings from the export of primary commodities are estimated at Rs 1,601.5 million in 1966/67 and Rs 1,775.0 million in 1967/68, depictng an annual increase of 1.5 per cent since 1964/65 compared to the Plan target of 4.5 per cent per annum (Rs 2,050 million by 1969/70). This slow rate of increase is mainly due to decline in the export of hides and skins, wool and fish (fresh and dried) and lower than anticipated increase in the export of raw cotton. The decline in the hides and skins and wool is mainly due to growth in leather and woollen textile industry. The export of tanned leather and leather goods and woollen goods has more than compensated the shortfall. The decline in the export of fish is mainly due to suspension of trade with India. Earnings from cotton exports in the first two years were affected by unfavourable prices, but have shown a sharp upward trend in 1967/68. Earnings from raw jute have remained satisfactory because of favourable prices. The prospects of achieving the overall target of foreign exchange earnings from the export of primary commodities have brightened recently on account of the possibilities of sizeable export surpluses of new agricultural exports, particularly IRRI rice and maize.

5.7 The most remarkable achievement during the first half of the Third Plan has been a rapid increase in the export of manufactured products. The export of manufactured products increased by about 70 per cent between 1964/65 and 1966/67 from Rs 775 million to Rs 1,318 million and is expected to increase further by 9 per cent to Rs 1,435 million in 1967/68. The annual increase in manufactured exports has thus been 25 per cent compared to the Plan target of 20 per cent. The acceleration in the export of manufactured products in the first two years was mainly due to an increase of about 97 per cent in jute manufactures, 36 per cent in cotton manufactures, 215 per cent in tanned leather and leather goods and 34 per cent in other manufactured products. This encouraging performance in the export of manufactured products was made possible by larger production of jute goods, cotton manufactures, tanned leather and leather goods and other miscellaneous manufactures. However, a major factor in this effort was increasing trade with Socialist countries through bilateral trade agreements.

5.8 The direction of exports during 1964/65 to 1966/67 is shown in Table 5.3 (Statistical Appendix). Exports to developed countries increased from 49 per cent of the total in 1964/65 to 53 per cent in 1966/67 while exports to developing countries in the same period declined from 39 per cent to 30 per cent, mainly due

to the suspension of trade with India. Exports to Socialist countries increased from 11 per cent in 1964/65 to 16 per cent in 1966/67.

Imports

5.9 As already mentioned, total imports excluding PL-480 and Indus Basin imports, in the first three years of the Plan are expected to be 7.5 per cent less than the original Plan projections and development imports 24 per cent less, but non-development imports and payments are likely to be 21 per cent higher because of larger than expected food and defence imports. This is shown in Table II below:—

Table II.—*Total Imports during* 1965-68

(Million Rupees)

	1965/66		1966/67		1967/68	
	Plan Projections	Actuals	Plan Projections	Actuals	Plan Projections	Revised Estimates
Development Imports ..	3,925	2,642	4,145	3,370	4,450	3,550
Non-development Imports including Debt Servicing	2,175	2,447	2,375	3,133	2,580	3,050
Total Imports:	6,100	5,089	6,520	6,503	7,030	6,600

5.10 The proportion between development and non-development imports is expected to improve further in favour of the former in view of sharp reduction expected in food purchases and a considerable increase in development imports.

5.11 From 1959 onwards the import policy was gradually freed from direct administrat ve controls to increase the flow of essential raw-materials, spare parts and components, to ensure fuller utilizat.on of installed capacity and to encourage exports. The beneficial effect of this shift from direct to indirect controls was clearly reflected in the production, investment and export levels achieved during the Second Plan period.

5.12 The liberal import policy received a set back in 1965/66 as a result of the reduced availability of foreign assistance and larger claims on Pakistan's own cash resources on accoun of defence and food imports. The situation improved in 1966/67 as imports increased by about 28 per cent in comparison to a fall of 3 per cent in he preceding year. However, in effect, since a large part of the increase was in payments for foodgrain imports, the availability of raw-materials barely recovered to the level of 1964/65. It is also noteworthy tha', in an attempt to raise the level of imports during the year, a decline of Rs. 470 million was recorded in fore gn exchange reserves of the country.

5.13 In the import policy for 1966/67, 66 items were placed on the free list in compa ison to 31 during 1965/66. Almost all the essential industrial raw-materials, tools and spare pa ts were included in the free list but the operation of the list was subjected to several restrictions. Important items on the free list included

iron and steel, non-ferrous metals, tools and workshop equipments, chemicals, dyes and dyeing and tanning substances. The number of items on the O.G.L. was increased from 9 to 11. The licensable list, on the other hand, was reduced from 195 to 96 items.

5.14 During the second year of the Plan, it was clear that the total demand for imported materials was considerably larger than available resources and any sustainable programme to channel these resources through a liberal policy framework would need some adjustments in the price of these imports. This was attempted on a limited scale in July 1967 by introducing a "cash-cum-bonus" list under which an importer had to purchase bonus for half of his entitlement to get cash licences for the remaining half. This meant an effective surcharge of 80-85 per cent on imports with a bonus premium of 160-170 per cent. This pattern was extended to 71 items in the January 1968 import policy. In addition, a price equalization surcharge was imposed on most free list items financed under aid or barter to bring their effective import price to that obtainable under the Cash-cum-Bonus System. With these price adjustments, it became possible to free over 90 per cent of all raw-material imports from administrative restrictions in the January 1968 import policy.

5.15 The breakdown of imports between development and non-development imports is shown in Table 5.1 (Statistical Appendix). The main items of commodity imports by broad categories are given in Table 5.4 (Statistical Appendix).

Foreign Assistance

5.16 During the first three years of the Plan, the availability as well as utilization of external assistance is likely to fall short of Plan expectations A summary statement showing pledges, commitments and disbursements of foreign assistance during 1965-68 compared with the Plan projections is given in Table III below:—

Table III —*Uilization of Foreign Assistance during* 1965-68

(Million dollars)

Year	Plan Projections	Actuals			Percentage Shortfall
		Consortium	Non-Consortium	Total	
1	2	3	4	5	6
1965/66					
Pledges ..	500	250	138	388	22
Commitments ..	536	317	94	411	23
Disbursements ..	550	317	65	382	31
1966/67					
Pledges ..	550	335	208	543	1
Commitments ..	567	408	95	503	11
Disbursements ..	573	371	81	452	21

1	2	3	4	5	6
1967/68					
Pledges ..	600	503	60	563	6
Commitments ..	557	415	95	510	8
Disbursemen s ..	596	430	85	515	14
1965/66 to 1967/68					
Pledges ..	1,650	1,088	406	1,494	10
Commitments ..	1,660	1,140	284	1,424	14
Disbursements ..	1,719	1,118	231	1,349	22

5.17 The Plan had estimated a requirement of $ 2,850 million in terms of fresh pledges ($ 2,700 million from Consortium and $ 150 million from non-Consortium sources). During the first three years of the Plan, $ 1,494 million was pledged compared to requirement of $ 1,650 million. The commitments and disbursements are likely to fall short of Plan expectations by 14 and 22 per cent respectively during the same period. A detailed review of foreign assistance is made in the following paragraphs.

5.18 Pakistan requested a pledge of $ 500 million from the Consortium for 1965/66. Due to the postponement of Consortium meeting and the suspension of U.S. assistance in September 1965, the total pledges secured on a bilateral basis from the members of the Consortium did not exceed $ 250 million—$ 139 million for projects and $111 million as non-project assistance. In view of lower availability of pledges in 1965/66, Pakistan requested for a fresh pledge of $ 580 million for 1966/67 against $ 550 million projected in the Plan for the second year. Actual pledges received through the Consortium for 1966/67 added up to only $ 335 million of which non-project assistance accounted for $ 211 million. Thus, in the first two years, the level of pledges received from the Consortium was 44 per cent lower than anticipated at the time of the preparation of the Plan.

5.19 The shortfall of Consortium assistance in the first two years was partly made up by larger credits from non-Consortium sources. Total credits from these sources during the first two years were $138 million and $208 million compared to the Plan projection of $40 million per annum. The details of the pledges received from Consortium and non-Consortium sources are given in Table 5.5 (Statistical Appendix).

5.20 In terms of commitments, the position was somewhat better because of the availability of $309 million as uncommitted pledges at the beginning of the Plan period. In the first two years of the Plan, the amount committed to specific projects and programmes out of the Consortium pledges was $317 million and $408

million respectively. This was about 23 per cent lower than anticipated initially. Commitments made by the non-Consortium countries during the same period amounted to $ 94 million and $ 95 million respectively.

5.21 Actual disbursements in the first two years of the Plan are expected to be $ 382 million and $ 452 million which will be about 26 per cent lower than the level projected in the Plan. Though substantial additional credits were secured from non-Consortium sources, the impact of these credits was not reflected in the level of disbursements in these years since many of these credits were for large projects with somewhat longer construction periods. The details of source-wise commitments and disbursements of project aid during 1965/66 and 1966/67 are given in Table 5.6 (Statistical Appendix).

5.22 A summary statement showing the original Plan projections and actuals of project and non-project aid disbursements is shown in Table IV below :—

Table IV.—*Disbursement of Project and Non-Project aid during* 1965-67

(Million dollars)

	Plan Projections	Actuals	Percentage Shortfall
A. *Project Assistance:*			
1965/66	340	265	22
1966/67	353	259	26
Sub-Total (A) ..	693	524	24
B. *Non-Project Assistance:*			
1965/66	210	117	44
1966/67	221	193	13
Sub-Total (B) ..	431	310	28
Total (A+B) ..	1,124	834	26

It would be seen from the above table that the shortfall was more pronounced in respect of non-project assistance (44 per cent) during 1965/66, but in 1966/67, shortfall in respect of project assistance was higher. This is because the impact of lower pledges is quicker on disbursements of non-project assistance than on the flow of project assistance. A detailed analysis of project and non-project assistance is given in the following paragraphs.

Project Assistance

5.23 Project aid disbursements for the years 1965/66 and 1966/67 were projected at $ 340 million and $ 353 million respectively. Actual disbursements during the same period were $ 265 million and $ 259 million respectively. On the whole, in

these two years disbursements were about 23 per cent lower than anticipated. The main reason for this short-fall was lower than anticipated level of commitments. Further, with the curtailment of annual development programme during 1965/66 due to war with India, the disbursements of project aid from balances in the pipeline were also slower. The project aid disbursements were 17 per cent higher in 1965/66 compared to the disbursements in 1964/65. However, in 1966/67, these disbursements decreased only marginally compared to the first year of the Plan. This lower availability of project assistance was to some extent counterbalanced by disbursement of $ 10 million of short-term credits under PAYE.

5.24 A statement showing the commitments and disbursements of project assistance by sectors is given in Table 5.7 of the Statistical Appendix. It would be seen that the rate of utilization was much better in the private sector. The actual utilization in 1965/66 was $ 122. million compared to $ 102 million in 1964/65. This increase was shared by almost all the sectors. Fresh commitments in private sector during the year were 30 per cent of the total project aid commitments during the year.

5.25 During 1966/67, whereas the aid committed to the private sector was roughly 45 per cent of the aid committed during the year, the level of disbursements in the private sector also showed a marginal increase over the previous year, whereas in the Industries sector where aid disbursement dropped from the level of $ 75 million in 1965/66 to $ 65 million in 1966/67, the aid disbursement in the transport sector increased from $ 40 million to $ 49 million. The project aid was for the first time used in the privately-financed agriculture sector during this year.

5.26 In the public sector, despite cuts on development expenditure, aid disbursement increased by 33 per cent from a level of $ 107 million in 1964/65 to $ 143 million in 1965/66. This was because of the bunching of commitments in the last two years of the Plan. The level of commitments from Consortium during the year constituted 70 per cent of the total commitments made during the year.

5.27 In 1966/67, project aid disbursement in the public sector showed a marginal decline. This was primarily due to suspension of certain inessential programmes and a significant decline in the level of fresh commitments during this year because of lower aid availability in the preceding year. Disbursements in major sectors, like water and power and transport decreased to the previous year's level. On the whole, the level of disbursements in the public sector in both the years was below the level envisaged in the Plan.

Non-Project Assistance

5.28 Actual disbursements of non-project assistance during 1965/66 were only $ 117 million compared to the original Plan projection of $ 210 million. The Plan assumed a commitment of $ 210 million of non-project assistance during 1965/66. As against this, actual commitments during the year were $ 124 million mainly due to the suspension of U.S. assistance in September 1965.

5.29 The position, however, improved considerably in 1966/67. The level of commitments of $ 235 million was almost in line with the Plan projections. The disbursements of $ 193 million showed significant improvement over the previous year and was only 9 per cent less than the Plan projections. Since, however, a larger proportion of non-project assistance was used for agricultural inputs viz., fertilizers and pesticides, the availability for industrial raw materials was substantially less. The details of commitsments and disbursements of non-project aid are given in Table 5·8 (Statistical Appendix).

Prospects

5.30 The availability of foreign assistance is not likely to show any significant improvement over the balance of the Plan period in view of the prevailing international climate. Though for 1967/68, the level of fresh pledges from the Consortium improved somewhat to $ 503 million, this is still considerably lower than what was expected or needed in the economy. Even if there is some improvement in the level of fresh pledges towards the end of the Plan period, its impact on the level of disbursements would not be large.

5.31 Disbursements of foreign assistance during the first two years totalled at $ 834 million or roughly 25 per cent of the estimate of $ 3,800 million for the Plan period as a whole. Even on the basis of existing pipeline and some increase in fresh pledges, a substantial shortfall in the availability of foreign assistance during the Third Plan seems almost unavoidable. Apart from the impact that this shortfall will have on imports and investment, it will also increase the difficulty of mobilizing corresponding domestic resources.

Chapter 6

REGIONAL DEVELOPMENT

6.1 According to Article 145, Clause (3) of the Constitution of Pakistan, a primary object in Plan formulation "shall be to ensure that disparities between the Provinces, and between different areas within a Province, in relation to income *per capita* are removed and that the resources of Pakistan (including resources in foreign exchange) are used and allocated in such a manner as to achieve that object in the shortest possible time." Fulfilment of this constitutional obligation to the maximum extent possible was an important objective of the Third Five-Year Plan. At the time of the formulation of the Third Plan, the background of economic disparity between the two provinces was reviewed and it was concluded that the disparity could ultimately be eliminated. But it also became evident that the economic disparity which had been the result of decades of neglect could not be removed in a short period of five or ten years, but might be eliminated within the period of a Perspective Plan of 20 years or so. Towards the achievement of complete elimination of regional economic disparity within 20 years, the Third Plan made a number of provisions for the acceleration of the growth rate in East Pakistan. The objectives and provisions included in the Plan are as follows:—

(a) to raise the regional income of East Pakistan by 40 per cent and that of West Pakistan by 35 per cent;

(b) to raise the growth rate in East Pakistan from the average of 5.4 per cent in Second Plan to 7 per cent and that in West Pakistan from 5 per cent to 6 per cent;

(c) to allocate resources to East Pakistan commensurate with the growth rate provided for in the Plan. (Of the total Plan expenditure of Rs. 52,000 million—Rs. 27,000 million was allocat d to East Pakistan and Rs. 25,000 million to West Pakistan.), and

(d) to provide more funds under the public sector to East Pakistan in view of a relatively weak private sector. Public sector allocations of the two provinces (revised in December, 1966) for the various sectors of the economy are given in Table 1 below:—

TABLE I.—*Distribution of Public Sector Allocations During the Third Plan*

(Million Rupees)

Sector	East Pakistan	West Pakistan
1	2	3
Agriculture	2,121	1,622
Water and Power	3,510	4,107
Manufacturing	2,339	966

1	2	3
Fuels and Minerals	75	60
Transport and Communications.. ..	2,250	2,350
Physical Planning and Housing	1,009	739
Education and Training	1,238	988
Health and Medical Services	562	508
Social Welfare Services	40	30
Manpower Training and Labour.. ..	46	30
Works Programme	1,200	600
Total ..	14,390	12,000

Source: Planning Commission.

Allocation under the private sector was made equally for the two provinces —Rs. 11,000 million for each.

6.2 The Third Plan assumption of disparity in *per capita* income between the two provinces in 1963/64 was 24 per cent in favour of West Pakistan. The basic national income statistics used in the calculation of disparity at that time are re-produced in Table II below:—

TABLE II.—*Per Capita* Income

(GNP at factor cost, of 1959/60) (Rupees)

	1959/60	1960/61	1961/62	1962/63	1963/64*
East Pakistan ..	269	278	278	280	305
West Pakistan ..	355	359	368	382	388
All Pakistan ..	318	325	334	336	353
Extent of disparity (in percentages) (Pakistan = 100 †)	28	26	25	31	24

Source: National Income Commission Report.

6.3 According to the latest data compiled by the C.S.O., it appears that it has not been possible to reverse the disparity trend in absolute terms but the rate at which disparities were widening has been slowed down. The increase in disparity in *per capita* incomes which was 7.7 per cent per annum between 1959/60 and 1962/63, has slowed down to 2.8 per cent per annum after the promulgation of the new Constitution and assumption of responsibility by the Government to remove regional

* Provisional.

† The Pakistan figures cover 97 per cent of the GNP. The remaining unallocated 3 per cent has been excluded.

disparities. This slowing down of the previous trends has been brought about by a determined effort of the Government to accelerate the pace of development in East Pakistan. In fact, the growth rate of East Pakistan in the 1960's (at 4.2 per cent per annum) was more than twice its growth rate in the 1950's (at 1.9 per cent per annum) and for the first time significantly ahead of its population growth. The declining trend in *per capita* income in the 1950's has changed by now to a healthy increase. If the areas of weakness identified below received full attention there are good prospects of further improvement.

6.4 Specifically, the following main steps have been taken to arrest the previous trends towards increasing disparity:—

(a) The Government has tried to increase development expenditure in East Pakistan above the level of West Pakistan through the efforts of the public sector.

(b) A considerable transfer of financial and economic resources to East Pakistan has been arranged, both through the distribution of domestic development loans and foreign assistance.

6.5 The distribution of public sector development outlays between East and West Pakistan in the first three years of the Third Plan has been in accordance with the Plan provisions. Whereas about 45 per cent of the total public sector development expenditure in the Second Plan had taken place in East Pakistan, the Third Plan provided for 53 per cent of the total expenditure in East Pakistan compared to 47 per cent in West Pakistan. As can be seen from Table III the performance in the first three years has almost conformed to the Plan targets.

TABLE III.—*Distribution of Public Sector Development Outlays by Regions*

Year	Million Rupees		Percentage Distribution	
	East Pakistan	West Pakistan	East Pakistan	West Pakistan
1960/61	690	1 139	38	62
1961/62	930	1,437	39	61
1962/63	1,273	1,458	54	46
1963/64	1,640	1,676	49	51
1964/65	1,721	1,986	46	54
Second Plan (Annual average) ..	1,251	1,539	45	55
1965/66	1,472	1,641	47	53
1966/67 (Estimated Actuals) ..	2,190	1,960	53	47
1967/68 (Estimates)	2,715	2,285	54	46
Third Plan (Annual average) ..	2 125	1,962	52	48

Source: Planning Commission.

During 1965/66, East Pakistan received only 47 per cent of the total public sector

development expenditure because during this period of national emergency, mainly the on-going programmes were protected and these happened to be largely in East Pakistan. But, by the very next year, this slow start in East Pakistan was overcome by providing 53 per cent of the total expenditure in that region compared with 47 per cent in West Pakistan. In the current budget, East Pakistan is to receive 54 per cent of the total expenditure. Taking the three years together, the actual expenditure is likely to be in accordance with the distribution targets which had been set out in the Third Plan and approved by the National Economic Council. However, it is a moot question whether the development programmes have been executed efficiently and whether the priorities in the public sector were fixed in favour of the more immediately productive sectors. This is an aspect that needs careful examination because effective implementation of the development programme and judicious choice of investment priorities is just as important, if more so, as the level of non-development expenditure.

6.6 In its efforts to increase the development outlays in East Pakistan, the Central Government have attempted to transfer considerable financial and economic resources to that region. In the first three years of the Third Plan, East Pakistan would receive 72 per cent of the total development loans provided by the Central Government to the two provinces, compared with only 28 per cent to West Pakistan. This compares with a distribution of 49 per cent of the total development loans to East Pakistan in the Second Plan. Such a substantial edge in the distribution of development loans was considered necessary to make up for the lower revenues of he East Pakistan Government and to arrange for a higher level of development expenditure there Table IV below indicates the development loans made available to the Provincal Governments by the Centre:—

TABLE IV.—*Development loans made available to the Provincial Governments by the Centre**

Year	Million Rupees		Percentage Distribution	
	East Pakistan	West Pakistan	East Pakistan	West Pakistan
1960/61	298	335	47	53
1961/62	246	317	44	56
1962/63	431	429	50	50
1963/64	677	682	50	50
1964/65	564	540	51	49
Second Plan (Annual average) ..	447	461	49	51
1965/66	370	154	71	29
1966/67 (Revised Budget) ..	958	263	78	22
1967/68 (Budget)	912	452	67	33
Third Plan (Annual average) ..	747	290	72	28

* Amount actually drawn by the Provincial Governments.

Source: Government Budgets.

6.7 The distribution of project assistance between the two regions also bears out the same experience. A determined effort was made to prepare and submit development projects from East Pakistan for foreign assistance negotiations and this effort has already changed the complexion of distribution of project assistance between the two regions. Whereas before 1960, it was difficult to find any sizeable aided project in East Pakistan, the experience between 1961/62 to 1965/66 reveals that about 52 per cent of the total project assistance obtained by Pakistan was committed to East Pakistan projects. The details of commitments and disbursements of project assistance by executing authorties are given in Table V below:—

TABLE V.—*Commitments and Disbursements of Project Assistance by Executing Authorities*

(Million dollars)

Year	Commitments		Disbursements	
	East Pakistan	West Pakistan	East Pakistan	West Pakistan
1960/61	23	38	20	40
1961/62	30	23	21	45
1962/63	84	90	36	50
1963/64	150	116	48	47
1964/65	90	76	51	51
1965/66	109	115	63	66
Total (1960/61 to 1965/66) ..	486	458	239	299

Source: Planning Commission.

On 30th June 1960, only $44 million were lying in the project pipeline of East Pakistan compared with $95 million in West Pakistan. In the next six years, the situation changed radically and on 30th June, 1966, the project pipeline of East Pakistan stood at $291 million compared with $255 million in West Pakistan. More project assistance has been negotiated for East Pakistan during these years than for West Pakistan, but the rate of disbursement in East Pakistan is slower than that in West Pakistan, viz, 49 per cent against 65 per cent. Steps must be taken to disburse the project assistance committed to East Pakistan projects effectively and expeditiously if maximum benefit is to be derived from the increasing level of assistance to East Pakistan.

6.8 An increasing level of foreign exchange resources has been transferred to East Pakistan during the 1960's by allocating to her a rising share of foreign assistance and country's own foreign exchange earnings. The net transfer of resources to East Pakistan (after taking into account its total exports, imports, inter-wing trade and inflow of foreign assistance) has risen steadily from Rs. 567 million in 1960/61 to over Rs. 1,000 million in 1966/67. A contributory factor to this transfer of resources has been a buoyant rate of growth in West Pakistan exports during the 1960's. West Pakis an's share in total export earnings has increased from 30 per cent in 1960/61 to about 45 per cent in recent years. In fact, the gap between the export earnings of the two regions is closing as is evident from Table VI below:—

TABLE VI—*Export Earnings of East and West Pakistan*

(Million Rupees)

Year	East Pakistan	West Pakistan	East Pakistan's share in the total ea nings
1960/61	1,259	540	70
1961/62	1,301	543	70
1962/63	1,249	998	55
1963/64	1,224	1,070	54
1964/65	1,268	1,140	53
1965/66	1,514	1,204	55
1966/67	1,660	1,325	56
Annual rate of growth (compound)	4.6	16.1	—

Source: Planning Commission.

6.9 In addition to the higher public sector development outlays in East Pakistan and the larger transfer of financial and economic resources to that region, it has been the consistent effort of the Government to give greater autonomy to each Provincial Government in the management of its economic affairs. During the 1960's a large number of autonomous corporations have been set up on a regional basis. This measure of autonomy was given in order to improve the effectiveness of development spending in the two provinces. It is time that the experience of these autonomous corporations is examined critically o see whether they are serving the purpose for which they were originally established.

6.10 Unfortunately the growth in East Pakistan, although satisfactory when

compared with the experience of other developing countries, has lagged behind West Pakistan despite the determined effort by the Government to increase the level of development activity in East Pakistan. The explanation would seem to lie in three main factors: (i) inadequate implementation of development programmes, (ii) the private sector in East Pakistan not having been enabled to respond to the challenge of economic growth, and (iii) progress in agriculture (which contributes about two-thirds to the regional income of East Pakistan) has lagged considerably behind West Pakistan.

6.11 In the last analysis, the responsibility for producing output and employment is that of the private sector in our economic system. The Government sector can merely create the infra-structure necessary for economic growth as well as give a push to some of the lagging sectors through vigorous economic policies. It cannot take over the basic job of production. Unless the private sector is enabled to respond adequately to the stimulus given by the Government, the overhead facilities and infra-structure created by the Government will be largely ineffective in producing economic growth and, in fact, may contribute to inflationary pressures as incomes are distributed in the public sector without generating corresponding output in the private sector. The data on private sector investment in the two regions are fairly scanty but whatever evidence is available (see Tables V to X) underscores the poor performance of this sector in East Pakistan. A recent study compiled by the Central Statistical Office, reveals that from 1963/64 to 1965/66, only 22 per cent of the total private investment took place in East Pakistan compared with 78 per cent in West Pakistan, as is shown in Table VII below:—

TABLE VII.—*Private Investment by Regions*

Year	Million Rupees		Percentage Distribution	
	East Pakistan	West Pakistan	East Pakistan	West Pakistan
1963/64	548	2,091	21	79
1964/65	817	2,614	24	76
1965/66	681	2,397	22	78
1966/67	819	2,918	22	78
1967/68	1,038	3,647	22	78
Total ..	3,903	13,667	22	78

Note: The Regional Estimate of privates Investment include investments of EPIDC and WPIDC.

Source: A recent study compiled by C.S.O.

6.12 The industrial sanctions given within the framework of the Comprehensive Industrial Investment Schedule during the first two years of the Third Plan also show a similar pattern. Of the total sanctions given during this period, only 33 per cent have been obtained by East Pakistan compared to 67 per cent by West Pakistan as is evident from Table VIII below :—

TABLE VIII —*Regional Distribution of Sanctions under Comprehensive Industrial Investment Schedule*

Year	Million Rupees			Percentage Distribution	
	East Pakistan	West Pakistan	Total	East Pakistan	West Pakis an
1965/66	336	768	1,104	30	70
1966/67	516	987	1,503	34	66
Total (1965-67) ..	852	1 755	2,607	33	67
Total Provision in the Schedule ..	5 024	5,861	10,885	46	54
Unutilised Balance ..	4,172	4,106	8,278	50	50

Source: Investment Promotion Bureau, Comprehensive Investment Schedule and the Evaluation Report of the First Year of the Third Plan.

6,13 The experience of PICIC and IDBP in the two regions bears out these trends. The regional distribution of PICIC loans during 1961/62 to 1965/66 was 22 per cent for East Pakistan compared with 78 per cent for West Pakistan as is shown in Table IX below :—

TABLE IX.—*Distribution of PICIC Loans by Regions*

Year	Million Rupees		Percentage Distribution	
	East Pakistan	West Pakistan	East Pakistan	West Pakistan
1961/62	29.01	95.39	23.32	76.68
1962/63	47.02	102.99	31.35	68.65
1963/64	9.06	131.87	6.43	93.57
1964/65	38.21	227.06	14.44	85.56
1965/66	75.63	139.90	35.09	64.91
Total ..	198.93	697.21	22.20	77.80

Source: Annual Reports of PICIC.

6.14 However, the distribution of loans given in Table X below by IDBP to the two regions tells a somewhat more cheerful story as 47 per cent of these loans were in favour of East Pakistan.

TABLE X.—*Distribution of IDBP Loans by Regions*

Year	Million Rupees		Percentage Distribution	
	East Pakistan	West Pakistan	East Pakistan	West Pakistan
1961/62	87	81	52	48
1962/63	110	69	62	38
1963/64	195	149	57	43
1964/65	86	150	36	64
1965/66	47	149	24	76
1966/67	151	173	47	53
Total ..	676	771	47	53

Source: Annual Reports of IDBP.

6.15 The Governmen: has been making a consistent effort to stimulate private investment in East Pakistan. Large parts of East Pakistan enjoy tax holiday for periods between 4 to 6 years as against 2 to 4 years in West Pakistan. As a result of recent adjustments in import tariffs, the import machinery into East Pakistan is subject to a duty of 25 per cent compared with 35 per cent in West Pakistan. Obviously, the private sector in East Pakistan has not responded adequately to these incentives nor has a favourable climate been created for the flow of private capital to that region. A high-level House Committee headed by the Leader of the House is currently looking into the question of slow growth of private investment in East Pakistan. When the Report of this Committee becomes available, Government will consider further action in this field. The Government has also appointed a high-level Committee of officials to study the effectiveness and priorities of development spending in the public sector in the two provinces, the efficiency of autonomous corporations in the two provinces, improvement of the implementation mechanism and investigation into the causes of slow disbursement of project assistance in East Pakistan, with a view to recommending corrective action.

6.16 The development of agriculture in East Pakistan appears to be lagging substantially behind West Pakistan. During 1963/64 to 1966/67, the growth in agriculture in East Pakistan has been less than one per cent per annum. In West Pakistan, despite unfavourable weather for two consecutive years, there has been an increase of 3.1 per cent per annum in the agriculture sector. What is even

more significant than these past trends is the current experience in the agricultural field in the two regions. All the necessary ingredients for a break-through in agriculture are present in West Pakistan and, given a vigorous effort behind the programmes of fertilizer distribution, Mexi-Pak seed and provision of adequate water through tube-wells and other means, West Pakistan should be able to take off in the agricultural field in the next few years. The absorption of new technology in the agricultural field in East Pakistan, even though on its way, has been slow in coming. The level of fertilizer distribution in East Pakistan is currently about one-half of that of West Pakistan. Development of improved varieties of seed in East Pakistan is still in an experimental stage while new varieties of seed have already been adopted on a large scale in West Pakistan. The arrangements for adequate availability of water through private and public tube-well and various irrigation schemes in West Pakistan are in a more advanced stage than the arrangements that can be made in the immediate future for flood-control or winter irrigation in East Pakistan. These trends must be taken note of because agriculture is the largest sector in the two regions and it is the fortune of he agriculture sector which would decide the fu ure fate of regional disparities.

6.18 Just as in the industrial field, the private sector is far more active in West Pakistan in the agricultural field as well. Economic incentives to the private sector do not work equally in the two regions. It should be mentioned here illustratively that about 80 per cent of the huge investment in private tube-wells in West Pakistan in the last few years was financed by the farmers from their own funds which shows the vigour of the private sector in the agricultural field in West Pakistan. It should also be recalled that whereas over wo-thirds of the total cropped area in West Pakistan is in holdings of 12-1/2 acres and above, in East Pakistan this proportion is only 18 per cent. Given smaller units of agricultural holdings in East Pakistan, the acceptance and ready absorption of new agricultural technology would largely depend on the progress that can be made in co-operative farming and in supplying agricultural credit to the small farmers who have very little purchasing power otherwise This points to the need for a greater presence of the public sector in the agricultural field in East Pakistan, mainly in the form of larger availability of agricultural credit

6.18 Although the rate of increase in disparities has been considerably slowed down since the adoption of the present Constitution, it has still not been possible, despite the very considerable efforts made, to arrest the trend in absolute terms. This does not, however, mean that the objective of elimination of these disparities in the foreseeable future is an unmanageable one. It should be noted that the increase in the development expenditure in East Pakistan is of a recent origin and it will take time before it has its full impact on the growth of the economy. Already the previous trends are being reversed. But a tremendous effort will have to be made by the East Pakistan Government itself, supported by adequate policies and financial allocations by the Central Government, and by the private sector of East Pakistan if the objective of reducing regional disparities is to be

realised. The Government of East Pakistan should make its development spending more effective and efficient. It should also create a favourable climate for the movement of private capital from West to East Pakistan. In fact, if the necessary institutional measures are taken, the long-run potential of growth in East Pakistan is no less than that of West Pakistan. East Pakistan possesses more fertile soil than West Pakistan and, with the introduction of new agricultural techniques, agricultural productivity in East Pakistan can be raised several times with significantly less investment than would be required in West Pakistan. Larger availability of labour may be another factor favouring East Pakistan's industrial development because West Pakistan may run into the problem of shortage of skilled labour sooner than East Pakistan. A substantial contribution can also be made by greater investment in the improvement of inter-wing transport and communications so that transport costs are lowered between the two regions and a freer flow of capital and labour can be arranged. Ultimately, the returns to investment may turn out to be better in East Pakistan compared with West Pakistan but this will take a more determined and organized effort than has been made so far.

6.19 To sum up, inter-regional disparity is a much more complex and stubborn problem than was originally conceived. It can be resolved only through sustained efforts over a period of time. Government has ensured for East Pakistan larger allocation of public sector development funds, three-fourth share of total central cash development loans, negotiation of more project assistance, longer tax holidays for investments and preferential tariff rates These measures have increased the growth rate of East Pakistan to 4.2 per cent in the 1960's as against 1.9 per cent in the 1950's and have slowed down the rate at which disparities were increasing but have not as yet produced the results we are striving for This is so because of three major reasons, viz., certain deficiencies in plan implementation, shyness o pr vate capital and he unfavourable climate for it, and in the recent past stagnation in the agriculture sector for a variety of reasons n East Pakistan. To mprove the situation, however, further steps are being taken. National Economic Council has already approved the revised agricultural development programme for attainment of self-sufficiency in food production in East Pakistan. If properly implemented this programme is certain to give a fillip to the growth rate in agriculture. A working group has been appointed to study the strategy and priorities of development programmes and the implementation mechanism in the two provinces. A more efficient and adequate mechanism for plan implementation which will ensure quicker utilisation of foreign assistance and better financial results from investments and a recasting of priorities with a view to achieving quicker and higher growth rates are being pursued vigorously A Committee of the National Assembly is addressing itself to the question of private investment in East Pakistan and its report which is expected shortly is likely to indicate the policy measures necessary for activising the private sector. With effective tackling of the three major problem areas n which direction a beginning has already been made, it can be hoped that the situation will continue to improve.

Chapter 7

PUBLIC ADMINISTRATION AND PLAN IMPLEMENTATION

7.1 The authors of Pakistan's First Five-Year Plan thought the building of an efficient administrative machinery and an adequate institutional frame-work even more important for economic development than capital formation. And whatever the actual contribution of successive Governments to the process of development, a pre-occupation with administrative reform and the building of public institutions has been a constant feature of National life since Pakistan's political emancipation. Not always, however, has this interest in institutional change been development-oriented. It was towards the end of the First Plan period that it assumed a definite direction and became a movement aimed at changing a law and order administration into an effective instrument of National integration and socio-economic development.

7.2 During the Second Plan period, a number of institutional improvements and measures of organisational and procedural reform, having an impact on planning and development, were undertaken. Some of these followed directly from the recommendations contained in the Second Plan. Others resulted from the work of the Central and Provincial Administrative Reorganization Committees appointed during the period. The most significant of the measures of reform were: creation of the National Economic Council in December 1961, its Executive Committee in May 1963, and Economic Co-ordination Committee of the Cabinet in April 1965, Establishment of planning cells in Government Ministries and Departments to coordinate departmental programmes, strengthening the Provincial Planning Organisations; installation of the system of Basic Democracies as an organ for the formulation and implementation of development projects and programmes of local significance; establishment of several new administrative training institutions such as the Pakistan Administrative Staff College, the National Institutes of Public Administration at Karachi, Lahore and Dacca, and the Academies for Rural Development at Comilla and Peshawar; introduction of a revised system of financial controls and budgeting; and some reform in accounting procedures.

Third Plan Objectives and Targets

7.3 The Third Five-Year Plan aims at continuing, and where necessary, accelerating the process of administrative improvement and reform initiated under the Second Plan, particularly with a view to ensuring optimum Plan implementation. With these objectives, the Plan identifies and emphasises five strategic areas and has suggested measures to strengthen these areas. The areas are: (a) adequate supply of qualified and trained administrative personnel, and reorientation of personnel policies and practices, (b) improving and streamlining the working of autonomous public corporations and authorities, which are scheduled to

execute over 55 per cent of the total public sector programme under the Plan (c) strengthening the machinery for preparation of projects and for their progressing and evaluation, (d) continued reform of the budgeting and accounting system to meet the needs of a fast developing administration and (e) strengthening the institutions of Basic Democracies as organs of local self-government and gradually increasing their developmental responsibilities. The Plan also introduces a concept of advance administrative programming which visualises the installation of suitable administrative arrangements to ensure that future development in the administrative field takes place in a planned manner and in step with development in the economic and social sectors of the Plan. To start with, this concept is proposed to be applied in the fields of administrative training and research, statistical development and staff welfare, for each of which appropriate financial allocations have been made in the Plan.

7.4 Vital as the impact of administrative reforms on the process of development is, there are no immediate tangible and measurable results which can serve as criteria for evaluation, like returns on investment in an economic venture. The final test of the success of projects and policies in this field is the overall capacity of the country to implement development plans of increasing size and complexity. Some idea as to whether this capacity has kept pace with the increasing demands can be gained from a description of the institutional arrangements made, the policies and procedures adopted and the funds actually utilised. This is attempted in the succeeding paragraphs.

Third Plan Implementation during 1965-67

7.5 The Third Plan allocation for Public Administration sector after revision of phasing and priorities stands at Rs. 20.28 million out of which a sum of Rs. 4.02 million, viz. 19.8 per cent of the total has already been consumed during 1965-67. A detailed picture in respect of financial implementation is presented in Tables 8.2, 8.3, 8.4 and 8.5 (Statistical Appendix). A budget provision of Rs. 8.79 million has been kept for the year 1967/68. It is expected that at this rate the Third Plan allocations would be fully utilised by 1970.

Organisation for Planning

7.6 (*i*) *Creation of a Scientific and Technological Affairs Division*—A separate Division, named the Scientific and Technological Affairs Division, was set up in the middle of 1965 as a part of the President's Secretariat. The Division is responsible for the co-ordination of applied research in the scientific and technological fields (including the scrutiny of development projects and programmes in these fields), and promotion of scientific and technological manpower. By bringing together these important functions, which were previously spread over different agencies, the Division is expected to provide the desired fillip and leadership to the scientific and technological fields.

(ii) An Economic Co-ordination Committee of Cabinet was created in April 1965 responsible primarily for determining the future pattern of growth of major industries. In September 1965, the scope of the Committee was broadened to cover, *inter alia*, the consideration of all urgent economic matters and co-ordination of economic matters and economic policies initiated by the various divisions of the Government. The Committee is headed by the Central Finance Minister and has the Ministers for Commerce and Industries and the Deputy Chairman of the Planning Commission as members.

7.7 In June 1965, the Central Government decided to create a Projects Division in the President's Secretariat, under the supervision of the Deputy Chairman, for watching the implementation of major projects and programmes, evaluating the national Plan, stimulating the preparation of projects in these sectors and sub-sectors where an adequate portfolio was not available to achieve the physical and financial targets of the Plan, and to evolve appropriate cost and physical standards for project preparation. The physical creation of the Division was delayed as a result of the economy drive necessitated by the national emergency in September 1965. However, in 1966, the Projects Wing of the Planning Division started functioning under the charge of an Additional Secretary to the Government with only a nucleus staff to begin with; and now the Projects Wing is functioning with a Joint Secretary as its head.

7.8 In pursuance of a recommendation made in the Plan, the functions of the Standing Organization Committee and the National Administrative Training Council were agreed to be simplified in order to provide that these agencies should perform their functions in specific relationship to the national Five Year Plan. However, in 1966, the Standing Organization Committee was abolished and replaced by a Cabinet Committee on Organization and Procedures which would be assisted by the Secretaries' Committee and three sub-committees of the Secretaries' Committee. The Secretariat for all these Committees is the Cabinet Division.

Implementation in the Public Sector

7.9 As recommended in the Plan, a survey of the working of a number of autonomous corporations and authorities, charged with the financing of central and provincial development programmes in different sectors, was undertaken by the Organization and Methods Wing of the Establishment Division. This was done at the request of the Planning Division and with the help of the funds provided by it. The agencies surveyed up to the end of June 1966 were: (a) the East Pakistan Forest Industries Development Corporation, (b) the Agricultural Development Bank of Pakistan, (c) the West Pakistan Water and Power Development Authority, (d) the West Pakistan Industrial Development Corporation, (e) Survey of working of the Oil and Gas Development Corporation, (f) Malaria Eradication Board and (g) West Pakistan Agricultural Development Corporation.

7.10 In 1966, it was decided that future surveys of autonomous agencies should be organised by the newly-created Projects Wing of the Planning Division, so as to properly highlight those aspects of the working of these agencies which are concerned with the efficient and economic implementation of development programmes.

7.11 A study of the working of some of the Central Operational departments, e.g., the Exports Promotion Bureau, the Department of Investment Promotion and Supplies, the Telegraph and Telephone Department, the Central Statistical Office, the Jute Board, Chittagong Port Trust and the Geological Survey of Pakistan was also undertaken by the Central O & M Wing of the Establishment Division with a view to ensuring improved implementation of development programme by these Departments. Survey Reports on the Exports Promotion Bureau and the Jute Board have been completed and surveys of the remaining agencies are in progress. The Government of West Pakistan have carried out a detailed assessment of the programme—implementing capabilities of the various provincial nation-building departments with a similar objective.

Training and Education in Public Administration

7.12 As recommended in the Plan, a survey of requirements in respect of training administrative officers and managers for the next five years was initiated by the Establishment Division at the end of 1964. Progress made on this survey during the year 1965-66 was somewhat slow and no clear indication is available as to when the survey will be completed.

7.13 In accordance with Plan recommendations, the following institutions have been functioning in both the wings of the country for providing in service training to Government officials as well as officers of private agencies in order to effect improvement in their efficiency:

(i) Pakistan Administrative Staff College, Lahore, for education and training of officers of senior administrative rank.

(ii) Civil Service Academy, Lahore, for providing necessary training to new entrants in CSP cadre.

(iii) National Institute of Public Administration at (a) Dacca, (b) Lahore and (c) Karachi.

(iv) Secretariat Training Institute, Islamabad, which provides training to Section Officers, Superintendents, Assistants and Stenographers.

Research and Statistics

7.14 The physical creation of the All-Pakistan Administrative Research Centre and the Pakistan Council for Research in Public Administration which the Government decided to set up during the Third Plan period, was delayed due to

the September 1965 emergency. These bodies have since been set up in a nucleus form.

Personnel Administration

7.15 The working group set up by the Planning Division to examine the question of the creation of a duly constituted service (or services) of Economists and Statisticians submitted its report in November 1965. The group unanimously recommended the creation of a combined Central Class I and Class II Service of Economists and Statisticians. The Report, which was forwarded by the Planning Division to the Establishment Division for processing was considered by the Secretaries' Committee in April 1966. The Committee accepted the recommendations made by the Planning Division, approved in principle the creation of a Central Service of Economists and appointed a four-member sub-committee of Secretaries to examine the proposal in further detail and make appropriate recommendations to the main Committee. The Sub-Committee has not been able to meet so far.

7.16 The Central Secretariat Service (Class I) was created in October 1965 encadering all the posts of Section Officers in the Central Government. This measure is calculated to improve the working of the service and to provide secure and stable conditions to the persons employed in this service.

Organization and Management

7.17 During 1965/66, fourteen O & M Officers were trained in USA and 60 officers within the country. Efforts are being made to gradually expand facilities for such training.

7.18 The O & M Wing of the Establishment Division requested all Ministries and Divisions of the Central Government to set up regular machinery for the codification and simplification of rules and regulations with which they were concerned and to take up the work on a progressive basis.

7.19 During the period under review, the Efficiency and O & M Wing of the (Establishment Division) launched a campaign for simplification of forms and procedures used in Government offices, particularly those having large-scale dealings with the public, and comprehensive O & M assignments were carried out by a team of experts set up by the Organization and Methods Wing for this purpose. The O & M Wing has already made recommendations for simplification of precedures followed in the offices of Chief Controller of Imports and Exports. These recommendations have, after approval by a High level Committee, been implemented by the Department concerned. Codification of procedural rules and regulations and preparation of organizational charts has also been completed by the Governments of East and West Pakistan. Rules and regulations relating to acquisition of private property by Government have also been simplified by both the Provincial Governments.

PART II

SECTORAL REVIEW

SOCIAL INFRA-STRUCTURE

Chapter 8

EDUCATION AND TRAINING

Introduction

8.1 Education and training are essential pre-requisites of development because the quality of manpower directly affects the rate of economic growth. In the first phase of development, there is usually some reservoir of the educated unemployed on which the development effort can draw. But at higher stages of economic development, the more sophisticated organisation of productive activity creates demands not only for more efficient and better trained workers but also for specialised skills. Development of the physical infra-structure should, therefore, go hand in hand with the development of human resources, in order to make the best use of productive facilities being created in the economy.

8.2 The first two Plans had primarily aimed at bringing about a re-organisation of the educational system on a pattern suited to the needs and requirements of an independent Nation. Expansion was undertaken on a modest scale within the limits of available financial and real resources. The major achievement during the Second Plan period was the creation of a system of technical education which, inadequate though it was to meet the growth requirements of a rapidly developing economy, made further rapid progress in this direction possible. Some acceleration in the educational programme was envisaged during the Third Plan period. The allocation for the education sector was raised to 7.6 per cent of the total public sector expenditure against 6 per cent in the Second Plan. But it still constituted hardly one per cent of the GNP. Since the lack of skills and education can be a major limiting factor for economic development, increased attention will have to be given to this sector in the remaining period of the current Plan and subsequent five year Plans.

Third Plan Objectives and Targets

8.3 The main objective of the Third Plan at the primary level was to increase enrolment from about 45 per cent of children in the primary school age group in 1965 to approximately 70 per cent in 1970. At the secondary and higher secondary levels, the major emphasis was placed on the qualitative improvement and teaching of sciences. In the field of technical education, the programme was designed to increase the annual intake capacity of engineering colleges, polytechnics and the technical institutes so that by the end of the Plan period the total turn-out of engineers would come to about 6,000 and that of trained technicians to about 23,000. At the level of higher education, the major objective of the Plan was to consolidate and improve the standard of education at various levels.

Third Plan Implementation during 1965-67

8.4 The overall performance during the period under review showed a substantial shortfall both in financial and physical terms. The programme proposed for the

year 1967/68 reflects an attempt to accelerate the rate of progress in this sector. This would, however, only raise the level of financial implementation from 16 per cent in the first two years to roughly 30 per cent in the first three years. The performance in physical terms is likely to be even lower because of the slow start and longer gestation period, particularly of the technical education programmes. Generally, the slow progress in the field of education is due to the delay in the preparation of schemes by the executing agencies, submission of incomplete and defective schemes to the sanctioning authorities, and non-availability of funds for certain sub-sectors of education notably primary education. To a certain extent, an attempt was made to achieve physical targets by a more intensive use of existing facilities. However, in education, this policy could create strains and affect the quality. Concerted efforts would be needed in the remaining years of the Plan period to prepare schemes expeditiously in order to lay down a proper base for the Fourth Plan. The comparative position of the Plan targets and achievements in the various sub-sectors is given below:

Primary Education

8.5 In East Pakistan, the Third Plan envisaged the opening of 1, 311 new primary schools out of which only 200 i.e., about 15 per cent have been opened so far. The development activity was mostly confined to the improvement in the existing primary schools. In terms of enrolment, the Plan had set target of having an additional enrolment of 3 million children by 1970 but the actual increase in enrolment has been only 0.28 million or 9 per cent of the target. Although the programme proposed for the year 1967/68 is comparatively larger in size, it will only raise the rate of enrolment of school-age children from 45 per cent to 47 per cent. The Plan target is to raise enrolment level to 70 per cent by 1969/70.

8.6 In West Pakistan, the performance has not been encouraging as far as the opening of the new primary schools is concerned. Only 1,000 schools were opened during the period under review against the Plan target of 25,000 showing an achievement of 4 per cent. As far as the enrolment is concerned, only 0.23 million additional children were admitted to primary schools as against the Plan target of 2.8 million showing an achievement of 8 per cent. The programme for 1967/68 shows some improvement on both the scores. However, the performance would continue to be substantially behind the Plan targets.

Secondary Education

8.7 In East Pakistan, the performance in the field of secondary education was more gratifying than in primary education. The performance was satisfactory in respect of the opening of new Government high schools (37 per cent of the Plan target). The performance for introducing agricultural education in primary and secondary

schools was fully implemented. Enrolment at middle, high and higher secondary stages increased by 100,000, 45,000 and 14,000 respectively allowing the realization of Plan target by 25, 36 and 23 per cent at these levels. The progress on schemes for the improvement of existing high and junior high schools was, on the other hand, negligible.

8.8 In West Pakistan, the programme for the provision of library services at the existing high schools was implemented to the extent of 56 per cent of the Plan target. Under the schemes for the establishment of new high schools, 15 middle schools were up-graded to high standard, and 25 new high schools and 16 comprehensive high schools were opened during the period under review showing respectively an implementation of 15, 25 and 40 per cent of the Plan targets. The Plan targets of additional enrolment at the middle, high and the higher secondary levels were realized to the tune of 24, 34 and 29 per cent respectively. There was, however, no progress on the programme for the improvement of library services and the provision of hostels at the intermediate colleges. The progress was also very poor in respect of the upgrading of primary schools to middle standard and the opening of intermediate colleges, the implementation rates being 8 and 10 per cent respectively.

Teachers Education

8.9 In the field of teachers education in East Pakistan, one teachers training college was established as envisaged in the Plan. One new junior teachers training college was opened out of the three proposed for the Plan period. The annual output of trained teachers went up considerably as a result of the increase in the enrolment in the existing teachers training institutions; showing an implementation of 49 per cent for the trained primary teachers and 66 per cent for the secondary teachers.

8.10 At the end of the Second Plan, the training institutions for primary and secondary school teachers in West Pakistan were training 10,400 primary and 2,410 secondary school teachers annually. Lack of sizeable expansion at the primary level has necessitated retention of the training programme of primary school teachers at the level of 1964/65. The size of the annual output of secondary school teachers has, however, increased by 12 per cent over the position in 1964/65. This has been possible by expanding the facilities at the existing training institutions, particularly at the Technical Teachers Training College, Lyallpur.

Technical Education

8.11 In East Pakistan, the programme for the expansion of the University of Engineering and Technology was held up as the University authorities could not get possession of the land required for the purpose. On the academic side, with the exception of the introduction of post-graduate courses in chemical en-

gineering the position remained almost at the level of 1964/65. The Engineering College at Rajshahi continued to build its campus.

8.12 However, there was no significant increase in the overall capacity of admissions at the degree level; the annual output of graduate engineers rising from 201 to 250 during the two years.

8.13 In West Pakistan, no development could be carried out in the University of Engineering and Technology due to lack of decision about the location of the University till October, 1967 but the intake capacity to degree courses at the University was increased from 351 in 1964/65 to 454 in 1966/67 with, a corresponding increase at the post-graduate level. Progress was also made towards the introduction of advanced courses in electrical and mechanical engineering. Although the intake capacity of the Engineering University at Lahore and the Engineering College at Peshawar did increase substantially yet with the decision of the Dawood Engineering College at Karachi not to admit any fresh students during 1966/67, the total intake capacity in the engineering colleges in West Pakistan became almost static. However, the output of graduate engineers increased from 413 in 1964/65 to 681 in 1966/67.

8.14 With the decision of the Government to keep the West Pakistan University of Engineering at its present location, an improvement in and expansion of the academic facilities is expected during the year 1967/68. Generally, the Plan objective for the output of graduate engineers was realised to the level of 32 per cent of the Plan target.

Polytechnic/Technical Institutes

8.15 In East Pakistan, the Khulna Polytechnic Institute and Technical Education College at Dacca were completed. The construction work at the Polytechnic Institutes at Chittagong and Comilla continued. Some progress was also made towards the expansion of five Polytechnic Institutes at Bogra, Barisal, Pabna, Rangpur and Sylhet. Work was also in progress for the establishment of Polytechnic Institute at Joydevpur and the development of Textile Institute, Glass and Ceramic Institute at Tejgaon and the Institute of Leather Technology at Hazaribagh and six weaving schools at different places. On the academic side, the annual output of qualified technicians increased from 725 in 1964/65 to 1,050 in 1966/67. The first batch of 30 teachers of polytechnics was admitted for training after the Technical Education College started functioning in 1966/67.

8.16 The 1967/68 Development Programme includes the establishment of the Polytechnic Institutes at Chittagong, Comilla and Mymensingh and the Graphic Arts Institute at Dacca and the up-grading of the existing Technical Institutes at Barisal, Pabna, Bogra, Rangpur and Sylhet to polytechnic level.

8.17 In West Pakistan, the work continued on the establishment of Polytechnic Institutes at Multan, Quetta, Larkana, D. I. Khan, Leiah, Sargodha and Haripur;

Polytechnic Institutes at Multan, Larkana and Quetta admitted the first batches of students in 1966/67. The Polytechnic Institute at Lyallpur also started functioning by sharing the buildings of the existing Technical Teachers Training College and it made its first admissions in 1966/67. The turn-out of trained technicians in this province increased from 1,269 in 1964/65 to 1,422 in 1966/67, showing a rise of about 12 per cent. The training programme for polytechnic teachers continued at the Polytechnic Institutes at Karachi and Rawalpindi and about 50 teachers were being trained annually. The on-going projects of Polytechnic Institutes at Karachi, Hyderabad, Khairpur, Rawalpindi, Lahore, Sialkot, Bahawalpur; Engineering School at Rasul and the Teachers Training Wing at the Polytechnic Institutes at Rawalpindi were reported nearing completion. The establishment of a wing of textile technology and the watch repairing centre at Karachi also progressed satisfactorily.

8.18 In the Annual Development Programme for 1967/68, provisions have been made for the completion of the programmes already started. Most of the development work carried out during the first two years of the Third Plan related to the projects initiated during the Second Plan, which were scheduled to be completed within the Second Plan period. If the Third Plan targets for the output of technicians is to be realized, maximum efforts will have to be made to expedite the work on the various projects of technical education.

Commercial Education

8.19 The Third Plan envisaged the establishment of three Commercial Institutes at Dacca, Chittagong and Khulna in East Pakistan and the development of existing commercial institutes in West Pakistan. During the period under review, no new institute was established and progress was made only towards the development of the existing institutes both in East and West Pakistan. At present, nine commercial institutes are functioning in East Pakistan and 22 in West Pakistan; during the year 1967/68 four new Institutes are expected to start functioning.

Vocational and Industrial Schools and the Training of Skilled Workers

8.20 The Third Plan included a programme for the development of 72 vocational schools in East Pakistan and 32 industrial schools in West Pakistan. Out of them, 17 vocational schools have been established in East Pakistan but no progress has been reported on the establishment of industrial schools in West Pakistan. Likewise, out of 35 new vocational schools provided in the Third Plan only the one at Mustung was established. Some evening courses were introduced at the polytechnic but the overall impact of these programmes was negligible.

8.21 The Annual Development Programme for 1967/68 does not fair any better as far as the allocation for the industrial and the vocational schools is concerned.

This sub-sector requires immediate attention to meet the requirements of the country during the current Plan period.

Higher Education

8.22 In the field of higher education at the college and university level, the Third Plan Programme envisaged the establishment of two universities in East Pakistan and one under the Central Government at Islamabad. Out of them, the University of Chittagong started functioning from the year 1966/67 and the post-graduate classes were introduced in four subjects. The University of Islamabad also started functioning from 1966. The Master Plan for the development of a campus has been finalized and the foundation stone of the University laid and, the construction work is expected to start soon. On the academic side, the Departments of Mathematics and Theoretical Physics have started functioning and some other subjects like Applied Mathematics, Physics, Chemistry and Economics are now being introduced.

8.23 At the college level, the East Pakistan development programme for the Third Plan period included the development and improvement of existing colleges in order to raise the standard of education. During the period under review, 15 degree colleges were improved and two degree colleges were provincialized showing an implementation of 22 per cent and 15 per cent of the Plan targets respectively. An International House was also constructed as envisaged in the Plan.

8.24 In West Pakistan, scientific equipment and furniture was provided to 14 colleges yielding a percentage of 70 of the Plan Programme. The science courses at the degree level were introduced in 11 colleges against the Plan target of 30, showing an achievement of 37 per cent. Four new colleges for B.Sc. and honours courses were also opened during the period against the Plan target of 10. However, no progress was made towards the construction of new buildings and hostels for new and existing colleges. Also little progress was made on the programme for the improvement of libraries.

8.25 The developmental activities for the improvement and expansion of the existing universities in East and West Pakistan continued. The total allocations for the universities in the Third Plan was Rs. 278 million of which Rs. 46.9 million or 17 per cent of the total provision was spent during the first two years of the Plan. However, most of this expenditure was on the construction of buildings. Emphasis needs to be laid on the expansion of libraries and other educational facilities.

8.26 The enrolment at the university level during the period under review, increased from 6,403 in 1964/65 to 7,761 in 1966/67 in East Pakistan and from 7,879 in 1964/65 to 10,731 in 1966/67 in West Pakistan. The encouraging feature about the university education has been a 36 per cent greater increase in the enrolment of science students in East Pakistan as compared to 15

per cent in the arts subjects. For West Pakistan, the enrolment in science subjects increased by 52 per cent as compared to 23 per cent in the arts subjects. This augurs well for the development of scientific education in the country.

Scholarships

8.27 In East Pakistan, the size of the internal scholarship programme in the first two years continued at about the level of 1965 and no significant progress was made. During the first two years of the Plan, 17,378 scholars were annually awarded scholarships during 1967/68; their number is expected to increase to 31,750 which is very close to the Plan target of 34,000.

8.28 In West Pakistan, the total number of students enjoying scholarships increased from 21,145 in 1964/65 to 23,504 in 1966/67. Their number is expected to increase to 28,302 in 1967/68 and to 39,000 by the end of the Plan period.

8.29 Under the auspices of the Ministry of Education, scholarships are awarded to Pakistani scholars for undergoing higher training in their specialized fields in foreign universities. During the first two years of the Plan, these scholarships had to be restricted for various reasons and only 78 awards could be made available. The second programme relates to the award of scholarships/fellowships to Pakistani and foreign students for undertaking research/study at the educational institutions in Pakistan. These scholarships are provided through three schemes, viz., Commonwealth Scholarships Scheme, Scheme for Scholarships to Students from other countries and National Research Fellowship Scheme. Under the first scheme, only six foreign scholars came to Pakistan during 1965-67 and five more are expected in the year 1967/68; under the second scheme 126 foreign students who came to Pakistan before 1965, continued their studies and 27 fresh students joined in 1966. Out of them, 42 completed their studies in 1966/67 and 37 fresh students joined bringing the total number of foreign students studying under these schemes to 148. During 1967/68, another 50 students are expected to join Pakistani universities, colleges and other institutions. The scheme of National Research Fellowship is to start from the year 1967/68.

Archives and Libraries

8.30 The scheme for the development of national archives costing Rs. 9.35 million could not make any appreciable progress due to the lack of adequate funds. The prospects for 1967/68 are also not very bright. The work on the construction of buildings for Liaquat Memorial Library which had started in June 1965 continued at a slow pace for want of adequate funds. No other projects relating to the establishment or development of libraries registered any progress.

Other Programmes

8.31 The programme of Cultural Pacts was continued successfully. The schemes for the development of Urdu and Bengali Languages and Central Bureau

of Education were in progress. In 1967/68, all these programmes will be continued and work will be resumed/started on the projects relating to the establishment of training and coaching centres, development of Archaeology and Museums; Art Councils, National Museum and the National Library at Islamabad; and Central Museum and Central Library at Dacca.

Development Programme under the Establishment Division

8.32 Steady increase has been registered in the programme of awarding scholarships to the children of non-gazetted employees. The programme for 1967/68 provides for Rs. 0.40 million against Rs. 0.38 million for 1966/67 and Rs. 0.35 million for 1965/66.

Development Programme under Kashmir Affairs Division

8.33 During 1965/66, development programme undertaken in Azad Kashmir was comparatively small in size. During 1966/67, however, development in Azad Kashmir, Gilgit and Baltistan Agencies included opening and improvement of primary schools, upgrading of primary schools to middle standard and middle schools to high standard, diversification of courses at middle and high schools, provision of science equipments and library books to secondary schools. Schemes for construction of buildings and hostel for Government College at Rawalkot and opening of new intermediate and degree dolleges were taken up for implementation. Similar programmes of comparatively larger size are proposed to be undertaken during 1967/68.

Financial Outlay

8.34 A sum of Rs. 2,374.55 million has been provided under the revised priorities of the Plan for meeting the development cost of educational programmes. On the basis of estimated actuals for the year 1965/66 and revised estimates of 1966/67, the total expenditure for the first two years of the Plan period works out to Rs. 376.99 million, giving a percentage utilization of 16.0, with the addition of Rs. 380.07 million provided in the current year's budget, the total comes to Rs. 757.06 million constituting about 31.9 per cent of the total Plan allocation. Analysing the expenditure separately, the utilization in the first three years will be about 36 per cent in East Pakistan and 26 per cent in West Pakistan.

8.35 The percentages of utilization are among the lowest in the case of primary education (23 per cent) and technical education (25 per cent), the two sub-sectors which had been given high priorities in the Third Plan. Further, the rates of utilization in the two provinces differ widely. In the sub-sector of primary education, the utilization in the first two years in East and West Pakistan was 26 per cent and 16 per cent and in technical education 33 per cent and 20 per cent respectively.

8.36 The foregoing facts clearly indicate that the overall implementation in the education sector is extremely poor. At the present rate of progress, the total Plan implementation will be much below the desired target unless proportionately

higher allocations are made to the important sector of education during the last two years of the Plan. Attention should also be paid to the policy of increasing number of enrolment with an appropriate increase in teachers and the physical facilities required for proper education. Cases in point are the slow progress of the programme for the improvement of libraries, construction of hostels for schools, expansion of science laboratories and lack of adequate reasources for meeting expenditure on teachers' salaries.

8.37 A detailed picture of plysical and financial targets and achievements is presented is Tables 8.1 A, 8.1 B, 8.2 8.3, 8.4 and 8.5 (Statistical Appendix).

Chapter 9

MANPOWER TRAINING AND LABOUR

Introduction

9.1 High rates of unemployment and under-employment and low productivity resulting from inefficient practices and lack of skills point to the importance of proper utilization of human resources in a developing economy. The main emphasis during the first two Plans had been on reducing the absolute level of unemployment. The Second Plan succeeded in absorbing the entire increase of 3.6 million persons in the labour force (1.8 million in the agricultural sector including the Rural Works Programme and an equal number in the non-agricultural sector), and thus arresting the process of increase in unemployment against the background of a very high rate of population growth.

Third Plan Objectives and Targets

9.2 The Third Plan aims at going a step further and reducing unemployment from 20 per cent of the labour force in 1965 to 15 per cent in 1970 by creating 5.5 million new jobs against a projected increase of 4.2 million in the labour force during the Third Plan period. The Plan also envisages the expansion of the Works Programme to utilize the existing under-employed labour force.

9.3 The more important objective of Manpower Planning is the increase of the efficiency of labour and the adoption of more productive practices in the professions than the reduction of unemployment. The Plan recognises this importance of manpower training and development of skills and provides for the setting up of a number of skilled labour and technical or vocational training centres. It also includes programmes for the re-organization of employment exchanges, the establishment of special agencies to provide vocational guidance, the introduction of placement bureaus and employment councils in the educational institutions, the conduct of research on particular problems concerning labour, enactment of legislation for regulating and protecting labour and the establishment of a National Register of high level personnel.

9.4 In view of the magnitude of the problems, however, the programme is an exceedingly modest one, reflecting perhaps the fact that the more immediate demands of developing the major sectors of the economy have so far left little time to be devoted to the problem of improving the quality of labour.

Third Plan Implementation during 1965-67

9.5 This modest programme received a further set-back as a result of revised priorities and sectoral allocations necessitated by the events of the first two years

of the Plan. Proportionately the largest reductions in the Annual Development Programmes of the early years had inevitably to fall on the social sectors. Out of the total allocation of Rs. 85.60 million in the Public Sector, the total allocation during the first two years of the Plan was only Rs. 17.32 million. Of this, Rs. 10.68 million were actually utilised. Even with the third year's allocation being twice the size of the second year, therefore, performance at the mid-plan stage can hardly be expected to measure upto the Plan targets. A detailed picture in respect of physical and financial implementation is presented in Tables 9.1, 9.2, 9.3, 9.4 and 9.5 (Statistical Appendix). Following is a programme-wise account of such work as has been done.

Manpower Training and Skill Development

9.6 Work on all projects of skilled labour training centres relating to the construction of buildings continued, while little progress was made in increasing the output of training centres. The construction of buildings for the SEATO-Pakistan Skilled Labour Training Centre at Dacca and the Vocational Training Centre at Chittagong which had started functioning during the Second Five Year P[illegible]n was still going on. So also was the construction of buildings for the Marine Diesel Training Centre at Narayanganj. Construction of buildings for the German-Pak. Skilled Labour Training Centre at Dacca and Technical Training Centre at Rajshahi was started.

9.7 In West Pakistan, the construction of buildings for the two existing Technical Training Centres at Peshawar and Lahore and the two new Centres at Hyderabad and Multan was taken in hand.

Labour Market Organisations

9.8 One vocational guidance and youth employment unit was set up at Dacca. Plans are in hand for the establishment of similar units at Khulna, Chittagong and Rajshahi. The Annual Development Programme for 1966/67 provided for the establishment of foreign employment research unit which has not yet been implemented. Work on the establishment of a National Register of high level personnel moved at a slow pace and no significant progress was made.

Promotion of Industrial Peace

9.9 The Plan programme for improving the condition of labour included the revision of various existing labour laws. For effective enforcement of the labour laws, the East Pakistan Labour Directorate started the establishment of offices at the important industrial towns. In East Pakistan, the construction work started on the buildings for Labour Directorate at Dacca, Chittagong, Khulna, Rajshahi and Narayanganj.

Provision of Safety and Security

9.10 One of the major steps in this direction was the promulgation in 1965 of the West Pakistan Employees' Social Security Ordinance. But its enforce-

ment started only in 1967 when the workers in the textile industry in Karachi, Hyderabad and Lyallpur were covered in the first instance. The scheme aims at providing protection to industrial labour against employment injury, maternity and sickness. Upto June 1967, about 125,000 workers in about 400 establishments had been provided coverage under the scheme. The introduction of a similar scheme in East Pakistan is on the schedule but has not been enforced so far.

9.11 In East Pakistan, the remaining work on Labour Welfare Division at Srimongal was completed and some more facilities were provided for 150,000 workers in the tea industry. Ten Labour Welfare Centres were completed during the period under review. But only six of them could be provided with furniture and equipment. In all, 17 such centres were to be constructed during the Plan period. Thirteen new centres remain to be completed to meet the Plan target.

9.12 The Development Programme for 1966/67 included the establishment of mines rescue centres at Khushab and Quetta for providing training in rescue operations in the coal mines. But little headway has so far been made towards their establishment. Similarly, little progress has been made towards the construction of a seamen's hostel at Karachi which was designed to provide accommodation for 300 seamen.

Labour Laws

9.13 In order to regulate employer labour relationship, the East Pakistan Government enacted six laws during 1965-67 which included the East Pakistan Inland Transport (Regulation of Employment) Act, 1965; the East Pakistan Labour Disputes Act, 1965; and the East Pakistan Factories Act, 1965; the East Pakistan Trade Union Act, 1965, and the East Pakistan Shops and Establishment Act, 1965. In West Pakistan, the Factories (West Pakistan Amendment) Ordinance, 1966 was enacted.

Analysis, Evaluation and Statistics

9.14 Little progress has been made in the direction of conducting research and compilation of statistics in the field of manpower. The Central Statistical Office which started conducting a quarterly survey of current economic conditions since 1963/64 carried out three rounds of surveys during the period under review. These surveys included information on the characteristics of the labour force. The Provincial Labour Directorates have also been compiling statistics on labour, employment and manpower. But the standard of the data and the level of analysis are still low. There is need to develop this area to a point where the country should have complete information on the manpower composition, the requirements of the various sectors of the economy and the position of employment so that realistic planning can be done in this field of resource utilization.

Conclusion

9.15 Apart from focussing attention on unsatisfactory progress in the achievement of the financial, physical or functional targets of the Plan, a review of the situation relating to manpower development in the country would seem to point to the need to develop and augment the manpower planning machinery. The flux of skilled and highly skilled manpower to foreign countries, when within the country manyfold problems emerge in every sector due to lack of skills and traditional practices in the professions and low productivity in agriculture as well as industry are the norm, highlights the need for this. This may involve the strengthening of the manpower planning sections of the central and provincial planning organizations to enable them to initiate and carry out large-scale research programmes and in the light of the results to formulate policies and programmes of the Fourth Plan.

Chapter 10

HEALTH AND MEDICAL SERVICES

Introduction

10.1 Good health is both a means of achieving rapid socio-economic development and a principal goal of development itself. The investment in health services pays rich dividends in the form of improved human welfare and increased productivity. This accounts for the fact that health programmes have formed an increasingly important part of development plans in Pakistan; and allocations to Health programmes have risen from 2.9 per cent in the Second Plan to 3.8 per cent of all development expenditure in the Public Sector in the Third Plan.

Third Plan Objectives and Targets

10.2 The main objectives of the health programme during the Third Plan are to make the most essential health services available to all the members of the community and to develop an integrated health service with greater emphasis on public health. The Plan aims at developing the essential framework of a comprehensive and regionalized health organization, especially in the rural areas, through which all health programmes could be implemented and maintained, so as to provide special health facilities for children, mothers and industrial workers. The health programme also included a large Family Planning Programme which would help lighten the pressure of population in the country. The other objectives include the development of training programmes, the establishment of an efficient statistics and record-keeping system, both for the purposes of planning and for evaluating the effectiveness of various health activities, the provision of guidance and leadership in the improvement of sanitation and nutrititional standards, devising special measures for population control and encouraging active participation by local communities in the formulation and implementation of health programmes. Like the first two Plans, the Third Plan has also placed greater emphasis on the organization and development of preventive services vis-a-vis curative services.

10.3 A sum of Rs. 1,330 million was allocated to health programme in the Public Sector of the Plan. This was later revised to Rs. 1,175 million. The primary effect of the revision was to reduce the allocation to the Malaria Eradication Programme and increase the allocation to the Family Planning Programme to the level originally envisaged for the scheme. It is estimated that the Malaria programme can be implemented as scheduled despite the reductions in funds available to it. Reductions have been made in schemes which required revision such as the Rural Health Centres Programme, or ones which were unlikely to absorb usefully the funds originally allocated to them. The important physical

targets of the Third Plan, the position at the end of the Second Plan and the achievements in mid-plan are given in Table 10.1 (Statistical Appendix), while a detailed discussion of development in each programme appears in the following paragraphs.

Third Plan Implementation during 1965-67

10.4 Performance in the Health Sector has been of mixed quality. Two of the biggest programmes, Malaria Eradication and Family Planning, which are to absorb 46 per cent of the allocation to the Public Sector Programmes of this sector, are progressing satisfactorily. But the scheme for Rural Health Centres, to which considerable importance had been attached and 13 per cent of the sectoral allocation made, has made little progress. The number of hospital beds has gone up but not fast enough to realize Plan targets. The number of T. B. clinics has hardly gone up and the BCG programme in West Pakistan had to be limited due to reduced availability of funds for it. Even though progress has been made in the provision of better facilities for medical education at the under-graduate level, the same cannot be said of post-graduate facilities which are an important element in raising the quality of the medical and health services. On the whole, the training of more and better qualified medical and para-medical personnel and the provision of improved incentives to them have not kept pace with the improvement of physical facilities for health service. Health facilities without staff can no more perform their functions than factories without labour.

10.5 The performance in various sub-sectors of the Health and Family Planning programmes are discussed in more detail in the following paragraphs.

Malaria Eradication Programme

10.6 Malaria is a serious problem in Pakistan. In recent years, it has been killing over 100,000 persons a year and lowering the productivity of many more. A relatively large proportion of the allocation to the Health sector is devoted to the eradication of Malaria. The original allocation of Rs. 414 million was cut to Rs. 270 million on the recommendation of the Malaria Appraisal Committee, when Plan priorities were revised. The main economies were effected by cuts in expenditure on personnel, foreign exchange and local expenses, which are not to disrupt either the schedule or scope of the programme. Up to 1966/67, Rs. 108 million have been spent and it appears that at the present rate of spending the allocations to carry out the project on schedule may have to be increased.

10.7 Broadly speaking, the Third Plan Malaria Programme aimed at bringing the entire country under the attack phase by 1970; four districts in East Pakistan and five in West Pakistan were to have entered the maintenance phase. As will be seen in the Table below, at this stage of the Plan a sufficient number of districts have been brought under the preparatory and attack phases which take three to four years to complete to ensure that the programmes will be well advanced in most

districts of the country by the end of the Plan, as was intended. In East Pakistan, by the end of 1966/67, as a result of various operations, sixteen out of seventeen districts with a population of 54.1 million were covered under the programme. In West Pakistan, the programme had been extended to 40 districts with a population of 44.1 million. Total coverage of the programme in 1966/67 was thus 98.2 million and it is expected that in 1967/68 this will be extended to 112.2 million. At least one zone will enter the maintenance phase in 1967/68.

TABLE I.—*Progress of the Malaria Eradication Programme by* 1966/67

Phase	Population covered (Million)	Districts covered (Nos)
1. Preparation		
East Pakistan	13.5	3
West Pakistan	2.6	2
Total ..	16.1	5
2. Attack		
East Pakistan	26.9	9
West Pakistan	29.6	31
Total ..	56.5	40
3. Consolidation		
East Pakistan	13.7	5
West Pakistan	11.9	6
Total ..	25.6	11
Grand Total ..	98.2	56

10.8 At the present rate of progress, it appears that the targets envisaged in the Plan are likely to be met, provided that no further financial restraints are imposed.

In all the districts in East and West Pakistan where eradication has reached an advanced stage, locally contracted malaria has become almost extinct. It is still too early to assess the overall effects of the programme in freeing popluatiou from malaria. The problem of malaria eradication in urban areas, which are not covered under the Malaria Eradication Programme needs further consideration. Originally, it was intended that municipal health authorities would deal with the problem of urban malaria. However, no special funds have been appropriated to them for this purpose; their activities have been limited; and it may be necessary for the Malaria Eradication Board to take over the urban eradication work.

Family Planning Programme

10.9 The danger of all the gains of economic growth being swallowed up by the very high rate of population growth was seen to be so great that the programme for family planning was allocated the largest share of development expenditure in the Health Sector in the Plan and in the revised priority it was further increased from Rs. 166 million to Rs. 274 million bringing it into line with the original estimates of the total cost of the project.

10.10 The family planning programme aims at reducing the national birth rate from 50 to 40 per thousand by the end of the Third Plan period. To achieve this, 20 million women of reproductive age will be approached to adopt family planning in one form or another Primary stress is being laid on the IUD as a means of contraception, because it is cheap and effective and does not demand the constant participation of the user. In the Third Plan period, 36 districts in West Pakistan and 16 in East Pakistan are to be covered. The village "Dai" was to be a central figure as a motivator and dispenser of contraceptives; in addition clinical facilities were to be provided and medical and para-medical personnel were to provide advice on family planning. Substantial monetary incentives were to be provided both to those who practise contraception and those who propagate it.

10.11 This programme was somewhat handicapped in the first year of the Plan by initial teething problems, including inadequate availability of medical and para-medical personnel for IUD insertions, the unsatisfactory supply of contra ceptives and lack of transport facilities. The position improved considerably in 1966/67 as can be seen in the table below. Thirty-six districts (11 in East Pakistan and 25 in West Pakistan) were covered by the programme. Thirty-three district publicity-cum-executive officers and 885 family planning officers were recruited. Clinical activities were organized in all the existing health institutions, besides which 29 full-time urban clinics (11 in East Pakistan and 18 in West Pakistan) were established and part-time clinics were located in 400 rural institutions. 1,178 doctors and para-medical personnel were trained and registered for IUD insertions and mobile medical teams were provided for family planning services in areas where such facilities did not exist

TABLE II.—*Physical progress of the Family Planning Programme*, 1965-67

	East Pakistan	West Pakistan	Total	Third Plan Target
Districts covered	11	25	36	52
Family Planning Officers ..	—	—	885	1,900
Whole-time Clinics	11	18	29	51
Part-time Clinics	—	—	400	718
Family Planning Doctors (Part-time)			1,178	2,900
IUD insertions	—	—	843,705	1,500,000
Sterilizations	—	—	54,129	90,000
Conventional contraceptives ..	—	—	133.3 m	—
Dais/organizers used	—	—	33,000	50,000
Couples practising family planning ..	—	—	1.9 m	5.0 m.

10.12 During 1967/68, six more districts (two in East Pakistan and four in West Pakistan) have been included in the Programme. The monthly targets for this year and achievements so far are shown in the Table III below:

TABLE III.—*Family Planning Programme*—1967/68.

	Target
I. Distribution of:	
(i) Condoms (gross)	85,947
(ii) Foam Tablets (gross)	62,961
(iii) Dura Foam (bottles)	54,169
II. IUD Insertions	80,000
III. Sterilizations	16,781

10.13 A Mid-Plan Review of the Family Planning Programme has recently been prepared by the US/AID through field studies conducted with the assistance of the Population Council, Ford Foundation and the US/AID experts. The findings are summarised in the Table IV below:

TABLE IV.—*Review of the Family Planning Programme By U.S./AID Experts*

	1965/66	1966/67	1967/68
Intra Uterine Device (Monthly Insertion Rate)	25,000	49,000	59,000
Vasectomies/Tuberligations (Monthly operations)	500	4,000	21,000
Conventional Contraceptives (Monthly average)	4 million	8 million	13 million
Oval Contracepteris (Cycles sold Monthly) ..	—	—	50,000
Family Planning Practitioners (Million Couples)	—	—	2.1 to 2.3
Births Prevented (Numbers)	—	—	1,674,000

10.14 The statistics on the use and consumption of contraceptives are encouraging. However, the numbers of clinics, doctors and para-medical personnel, family planning officers and dais involved have yet to build up to the strength anticipated. The effectiveness of the programme, particularly in respect of conventional contraceptives and the IUD, on which so much reliance was based, remains to be evaluated in the near future.

Hospitals and Dispensaries

10.15 A major objective of the Health Sector in the Plan was to improve the very low ratio of hospital beds to population and increase the effectiveness of hospitals by providing modern equipment, essential buildings and required staff. In providing hospital beds, priority was to be given to hospitals at the tehsil, sub-divisional and district levels. All sadar and sub-divisional hospitals were to be improved and expanded. Fourteen 50-bed hospitals were to be provided in rural areas of East Pakistan. In West Pakistan, work on five new district hospitals started in the Second Plan was to be completed. Hospitals located in the urban areas were to be improved and expanded. Under the Central Programme, 500-bed and 200-bed hospitals were to be established at Islamabad and Dacca respectively and a 50-bed hospital at Chittagong. Originally Rs. 158 million were allocated to this sector but the figure was subsequently revised to Rs. 130 million.

10.16 In East Pakistan, the expansion in the number of hospital beds is proceeding somewhat slowly. 890 additional beds have been created by the end of 1966/67, while the target for the Plan period is 7,500 additional beds. Another 800 will be added in 1967/68. With no further restriction of funds, the estimated figure to be reached by the end of the Plan period is 4,000. On the whole the programme to modernise sadar and sub-divisional hospitals was proceeding satisfactorily.

10.17 The construction of the 400-bed Sadar hospital at Pabna was completed and work for the supply of water was taken up. The bed strength of the Mental hospital of Pabna was raised from 220 to 400 beds. Construction was being started on the 100 bed hospital at Dacca for the Provincial Government employees and Saidpur hospital under the scheme for the establishment of 50 bed hospital at important places of the Province. By the end of 1966/67, about 156 thana dispensaries were established of which 126 were functioning in the Province. The construction of 100-bed Sadar hospital at Noakhali was started and plans were finalized for increasing the bed strength of Sadar hospital at Bogra from 68 to 100. The construction works for the modernisation of sub-divisional hospitals at Magura and Rajbari were completed while the work on hospitals at Chaudanga, Naogaon and Kurigram was in progress and the work for constructing Sadar hospitals at Faridpur, Comilla, Jhenida and Bogra was being taken up.

10.18 In West Pakistan, the expansion in the number of hospital beds was also proceeding slowly as the number of beds increased by 1,286 upto 1966/67 in comparsion with the Plan target of 5,000 additional beds. The Plan target is not likely to be reached. The programme for increasing hospital facilities by improving the existing hospitals and by constructing new ones was progressing satisfactorily. A number of schemes started in the Second Plan were completed and new works of up-grading tehsil and district headquarters hospitals were commenced. Tehsil headquarter hospitals started in the Second Plan at Bagh, Digri, Isakhel and Kahuta were completed providing 115 additional hospital beds. The construction of a 50-bed hospital at Sujawal and a 12-bed hospital at Uthal was completed. Construction on tehsil headquarter hospitals at Tando Mohammad Khan, Ghotki, Kalabagh, Karak, Pasrur, Shujabad, Khandkot and Shadadpur and on the up-grading of the existing tehsil headquarters hospitals at Charsada, Hangu, Phalia, Narowal, Gambat and Khuzdar was in progress. Another 40-bed hospital at Jauharabad was being expanded to serve as tehsil headquarters hospital for Khushab Tehsil.

10.19 During the period under review, the construction of the new 100-bed district headquarters hospital at Sialkot was completed. Work on similar hospitals begun in the Second Plan at Jhelum, Gujrat, Sanghar and Loralai was in advanced stage of completion. The district headquarters hospital at Rawalpindi was expanded and the work of up-grading the existing hospitals at Gujranwala, Bahawalnagar, Rahimyar Khan and Nawabshah was in progress. The work on the new district headquaters hospitals at Larkana, Bannu and Jhang has commenced. Acquisition of land for expanding the 100-bed hospital at Peshawar was in hand and work of up-grading and improving hospitals at Mardan, Sahiwal, Larkana, Mirpur Khas, Turbat, Lyallpur and Mianwali was being undertaken.

10.20 As a result of these activities the number of hospital beds, hospitals and dispensaries stood at 26,200,393 and 1,754 respectively excluding the beds provided at Rural Health and Maternity and Child Health Centres in the Province.

10.21 Hospital schemes under the Central Government were making slow progress. Work on the construction of the Central Hospital at Dacca was going on and some items including 190 residential quarters, pile foundation of the main hospital building, plans for the hospital and out-patient departments were completed during the period under review. But overall progress was slow and estimates of costs are likely to be exceeded. The scheme for a 50 bed hospital in Chittagong scheduled for completion in 1967 is still being prepared and may possibly be completed during the Third Plan. The architectural design of the 500 bed hospital in Islamabad was under preparation. Main part of the work is likely to be carried over to the Fourth Plan.

Rural Health Centres

10.22 Through the construction of Rural Health Centres, it is aimed to bring organised health services to the vast majority of the rural population. The Third Plan aimed at completing the unfinished Second Plan programme and doubling the number of such eentres. Rs. 198 million were allocated for this purpose. The amount was subsequently reduced to Rs. 156 million. In East Pakistan, work on 88 Rural Health Centres carried over from the Second Plan was completed and they started functioning. Work on 36 other centres was still in progress and work on 24 new centres was being taken up during 1967/68. Work on the Third Plan scheme of setting up 100 additional centres has not yet been taken up. In West Pakistan, only 85 centres and 240 sub-centres started functioning against the Second Plan target of 160 centres. While doctors would be available to start the Rural Health Centres if sufficient incentives are provided, para-medical staff has not yet developed for the centres. On the whole, the programme of Rural Health Centres still remains to be properly formulated.

T. B. Control

10.23 One of the main elements in the campaign against T.B. was the BCG Programme. The exact progress of this programme remains to be ascertained in West Pakistan. On the whole, only limited progress has been made for the control of TB in East Pakistan. None of the schemes to provide for physical facilities under the Third Plan had yet been taken up. However, 23 TB Clinics started in the Second Plan were completed against 30 clinics set for the Plan target. Of these only 18 are functioning. The remaining five clinics were expected to start functioning shortly. The construction of five clinics was in progress, while sites were selected for the remaining two. Two Second Plan schemes of 100-bed T.B. hospitals at Rajshahi and Chittagong started functioning. But the 100-bed T.B. Research hospital which was to be provided at Dacca has not yet been considered under the Central Government Programme. About 50 per cent of the construction work on the Tuberculin Dilution Centre was expected to be completed during 1967/68. Work for the expansion of the Institute of Chest Diseases and Hospital at Dacca will be continued. Work on the construction of a 100-bed T.B.

gressing satisfactorily, while work was started on the construction of a 300-bed hospital for the School and Department of Pediatrics in the same premises. In East Pakistan, the construction of residential accommodation for the School of Tropical Medicine and Public Health at Dacca was completed. It is now proposed to prepare a combined scheme for the Institute of Post-graduate Medicine and the School of Tropical Medicine at Dacca, pending the implementation of the combined schemes, classes on tropical medicine would be started at the Public Health Institute, Mohakhali (Dacca). At the present rate, it seems unlikely that there will be a working post-graduate facility at Dacca during the Plan period, which leaves a gap in the trained personnel required for the completion of medical and health services in East Pakistan.

Infectious Diseases

10.32 In East Pakistan, the work for establishing a 100-bed infectious diseases hospital at Dacca and two leprosy rehabilitation centres at Sylhet and Nilphamari was progressing, while one leprosy control project was functioning at Dacca. The attack phase of the small-pox eradication programme was completed and work on the surveillance phase was in progress. But the results of the small-pox eradication programme are not yet satisfactory, since the incidence of the disease increased from 3,217 cases in East Pakistan in 1966 to 8,386 cases in 1967, and deaths from the disease were correspondingly 1,429 and 4,777. In West Pakistan, there were 2,936 cases in 1966 and 5,892 cases in 1967 with 475 and 1,005 deaths respectively.

Maternity and Child Health Services

10.33 In East Pakistan, the number of maternity and child health centres increased from 64 in 1964/65 to 85 in 1966/67, while six more centres were ready to start functioning and construction of five centres was in progress. In West Pakistan, the number of Maternity and Child Health Centres stood at 721, besides the availability of similar facilities at 85 primary health centres and 240 sub-centres attached to those primary centres.

Nutrition Survey and Research

10.34 In East Pakistan, the work for the improvement of Laboratory for Food, Water and Drug analysis was nearing completion and the construction of the Biological Production Laboratory at Mohakhali and a Nutrition Research Laboratory was in progress. A Brace Shop was also being established at Dacca Medical College Hospital. In West Pakistan, a Food Analysis, and Research Laboratory at Lahore started functioning, while the Drugs Testing Laboratory was under construction besides the start of work for the setting up of a Food Analysis Laboratory at Multan and the provision of residential accommodation and Food Analysis Laboratory at Quetta. Work for the establishment of the Blood Transfusion Institute at Lahore was also taken in hand besides taking steps to acquire land for the construction of alternate medical stores depot at Lahore.

10.35 Under the National Nutrition Survey and Research Programme for determining the consumption levels and the deficiencies in the nutritional value of food consumed in the country, a survey was completed in East Pakistan and work on a similar survey in West Pakistan was in progress. The construction of National Health Laboratories at Islamabad was completed and some of the laboratories started functioning. As a result, the Nutrition Research Laboratory, the Bureau of Laboratories and the B.C G. Production Laboratories were shifted from Karachi and Islamabad.

Special Areas

10.36 During the period under review, work on a T.B. Sanatorium at Dhirkote, a health centre at Bhimber, the extension of Rawalkot hospital and two dispensaries was completed, besides adopting both preventive and curative measures ot improve the health standards of the people. Work on the 50-bed hospital at Skardu was in hand, while equipment had been purchased for six hospitals in Gilgit Agency besides providing additional accommodation for the Agency hospital at Gilgit. A 20-bed hospital for Bajaur Scouts was also completed during the period under review.

Financial Outlay

10.37 The development outlay in the health and medical services sector under the Government-financed programme during 1965-67 amounted to Rs. 291.04 million against the Plan allocation of Rs. 1,174.53 million, thereby showing the implementation of 24.8 per cent. A detailed picture in respect of financial targets and achievements is presented in Tables 10.2, 10.3, 10.4 and 10.5 (Statistical Appendix).

10.38 The Third Plan allocation to the sector can probably be absorbed except in the Rural Health Centres Programme and in some Central Government Programmes. Some crucial programmes and projects which have lagged for lack of funds and personnel to execute them might still be executed if resources are made available to them. In the Annual Development Programme, the tendency to allocate less funds to schemes than they require for quick implementation continues. This slows up completion of the schemes, increases costs and results in the provision of inadequate staff and facilities. Some schemes have been completed but funds have not been provided to create new sections required to operate them. It is of fundamental importance, therefore, to ensure that the existing and newly-created recurring liabilities of the health programmes are provided with adequate funds.

Chapter 11

SOCIAL WELFARE SERVICES

Introduction

11.1 Social problems in a developing country are a manifestation of the general problem of backwardness of the economy and their total solution is possible only as the country moves towards the goal of eradication of poverty and ignorance. Paradoxically, the major step towards this, namely, economic development entails widespread social changes and the resultant tensions only add to the depth and the sum total of social problems. Rapid urbanisation tends to break up the family and the traditional system of life. Intensive capital formation leads to economic inequalities. The challenge of adaptation, adjustment and the acquisition of new skills creates cultural conflicts and emotional disorders. Such is the enormity and variety of social problems in Pakistan that it is not surprising if despite an awareness of the need for corrective and preventive measures against social ills from the very beginning and despite financial provisions for social welfare in the first two Plans, progress towards the solution of even the major social problems should be slow.

Third Plan Targets and Objectives

11.2 Making limited and practical rather than an idealistic approach to the task, the Third Plan programme of social welfare relied heavily on the private sector and aimed at motivating, guiding and supporting voluntary social service organisations and at creating a favourable social climate for development. The specific objectives of the programme were:—

(a) to promote development process by reaching people and involving them in development tasks;

(b) to consolidate and expand the existing preventive, curative and rehabilitative social services at all levels;

(c) to initiate new programmes to meet untackled needs and problems of individual, families and communities.

11.3 Against a conceptual requirement of forty thousand physical units of various sizes to meet all the social problems and needs, the Plan envisaged the development of 1,138 physical units for various social welfare activities in the country in the public sector. It provided for financial assistance and professional help from the Government to 400 private agencies for continuing their programmes. The major allocations were made for the provision of social welfare services for the socially, economically and physically handicapped persons and for financial

and professional assistance to the voluntary agencies and the Universities and Colleges for Social Work Education. Generally, the Plan intended to establish and to help institutions which would encourage, guide and consolidate voluntary effort of the people. Public assistance was, by and large, to act as a stimulant.

Third Plan Implementation during 1965-67

11.4 The allocation for the Social Welfare Sector in the Plan was Rs. 125 million. This was reduced to Rs. 90 million in the revised priorities. Rs. 13.68 million or nearly 15 per cent of the entire Plan allocation were spent during the first two years of the Plan. The allocation for the third year is Rs. 13.49 million. Even if this is fully utilized, financial implementation at the end of the third year will come to only 30 per cent of the total Plan provision. This, however, does not fully reflect the actual progress of work. In spite of meagre financial allocations during the two years, the voluntary social welfare agencies were in a position to continue, strengthen and expand their programmes, and are believed to have spent many times more money than the public provision. Work also continued on the establishment of model institutions for welfare activities.

11.5 The programme mainly affected by the reduced finances and the delays in administrative approval for expenditure was that of the establishment of physical units. Only 55 new Social Service Units could be organized out of 456 included in the Plan.

11.6 The major amount included in the social welfare development programme was for the ongoing programme of urban community development. Under the programme for the financial grant to voluntary agencies, 297 agencies in East Pakistan, 176 in West Pakistan and 6 operating on a national scale received financial grants for organizational purposes and for the employment of trained social workers. Their number increased to 824 in 1966/67, the distribution being 618 in East Pakistan, 194 in West Pakistan and 12 in the Centre. About 3,000 agencies did not receive any grant: they were provided with professional assistance and technical guidance by the Social Welfare Departments, with whose help they mobilized community resources to finance their programme as env saged in the philosophy of the Plan programme.

11.7 An important and major gap left in the implementation of the social welfare programme is the failure to organize social services in rural communities. 300 such units in East Pakistan and 200 in West Pakistan were to be established during the Plan period. But only 6 rural community centres could be established in East Pakistan. In West Pakistan, the Provincial Government is initiating 30 projects in the current year.

11.8 In the field of Social Work Education, the allocations for the first two years of the Plan were fully utilized and the four Schools of Social Work at Dacca, Rajshahi, Lahore and Karachi have been running regular under-graduate, graduate and post-graduate programmes in Social Work.

11.9 Achievement of the physical targets of Social Welfare programmes has fallen behind schedule mainly due to curtailment of financial allocations and delay in the approval of development of projects. Nearly Rs. 5 million were curtailed out of a minimum essential programme of Rs. 18 million in each of the first two years of the Third Plan. Consequently, some preventive and rehabilitative programmes, which were capable of preventing the causation of social evils and converting social burdens on the economy into self-supporting productive units, could not be undertaken. These programmes included social services for children, youth, families, socially and physically handicapped (orphans, beggars, delinquents, blinds, deaf, dumb and the disabled). The Provincial Directorates and the Central Ministry of Social Welfare have developed their capacity by now which will enable them to implement the programmes included in the Plan more effectively. The Programme for 1967/68 is more ambitious than that of the first two years but even if it is fully implemented achievements at the end of the third year will remain behind schedule unless financial cuts are duly restored in the last two years of the Plan.

11.10 The physical and financial targets and achievements are presented in Tables 11.1, 11.2, 11.3, 11.4, and 11.5 (Statistical Appendix).

PHYSICAL INFRA-STRUCTURE

Chapter 12

WATER AND POWER

Introduction

12.1 The Third Plan regards the development of water and power resources as fundamental for rapid progress in agriculture and industry. The sectoral programme has been designed to provide adequate supply of water to agriculture and sufficient low-cost power to industry in time to meet the growing demands of these sectors. Private entrepreneurship, which is conventionally shy of investment in the field of water resources, has been brought forward through encouragements and incentives and quick maturing schemes of tube-well irrigation in the Third Plan

12.2 The possibilities and problems of water development widely differ in the two provinces. East Pakistan, a flat deltaic area with a network of some of the world's largest rivers—the Ganges, the Brahmaputra and the Meghna—has either too much water on the land or too little. High flood levels frequently persist for several weeks in the monsoon season and high tides along the coastal region result in overflows which produce crop-destroying salinity. In the dry season, only a small area is sown to crops and the failure of the monsoon occasionally results in famine conditions.

12.3 West Pakistan is largely an arid land overlaid with an elaborate network of canals. Insufficient water and under-irrigation on flat alluvial plains with poor natural drainage leads to the problems of salinity, alkalinity and water-logging. Unless the sizable potential supplies of water in the region are developed, these surface and ground water problems would be difficult to control. Water development in the essentially fertile south-west of the province could play an important role in the development of the region.

12.4 The Second Plan performance in the water and power sector was quite satisfactory. In the water sub-sector, about 2.05 million acres of new land (0.22 million acres in East Pakistan and 1.83 million acres in West Pakistan) were brought under irrigation and about 8.55 million acres (2.25 million acres in East Pakistan and 6.30 million acres in West Pakistan) were improved through the development of irrigation, flood control and drainage facilities against the Plan targets of 2.44 million acres and 7.11 million acres respectively.

12.5 The main river system of East Pakistan divides the province into an eastern and western part, so that each part has been served by a separate electricity generation and distribution network. In the Second Plan period, the generating capacity had been sufficient, but an inadequate distribution system had resulted in a large unsatisfied demand for electric power. The flat deltaic character of

East Pakistan offers little scope for hydro-electric generation of power. Except for the Karnaphuli station, all power has been thermal generated and up to recently depended on imported fuels. The sources of thermal energy are already changing and will further alter where domestic supply of coal, oil and gas, which are being developed, and nuclear power are made available. In the power sub-sector, during the Second Plan period, the total installed capacity in the province increased from 175.2 MW to 300 MW (of which EPWAPDA capacity was 202 MW), the *per capita* consumption from 8.2 KWH to 13.6 KWH, the length of transmission and distribution lines from 523 miles to 2,300 miles and the number of consumers from 39,450 to 104,000. The number of electric supplies taken over and established by EPWAPDA increased from 8 to 18 and 3 to 18 respectively in various towns, the number of villagese electrified were 138 during the period.

12.6 The power generating capacity in West Pakistan increased from 700 MW in 1960 to 1,135 MW in 1965, the achievement being 435 MW, while the length of transmission and distribution lines (11KV and above) in the province increased from 4,649 miles in 1960 to 13,500 miles in 1965, the achievement being 8,851 circuit miles. The total number of electricity consumers increased from 405,586 to 800,000, the achievement being 394,414. The number of villages electrified were 2,362 during the period.

Third Plan Objectives and Targets

12.7 In the water sub-sector in East Pakistan, the Third Plan strategy was dictated by the present limited knowledge about the hydrology of East Pakistan, the extremely difficult nature of many of the flood-control projects, and the limited number of fully engineered projects that are currently available. Thus the course chosen was to proceed as rapidly as possible with the engineering necessary for the regional and project planning of large new flood control programmes and to rely for the Third Plan growth on several selected schemes with short-gestation periods, typified by the low-lift pumps and tube-wells schemes.

12.8 In West Pakistan, the objectives in the water sub-sector were to maximize the relatively easy development of sweet groundwater in the province through an expanded and integrated public and private tube-wells programme, to begin work on a canal modification and enlargement scheme that will allow a greater proportion of river flows to be utilised and to increase the investigation, research, engineering, co-ordination and master planning efforts required to provide an adequate technical and economic base for later and more difficult surface water and saline ground water development.

12.9 In East Pakistan, the Third Plan target was to provide irrigation and reclamation facilities to a gross area of 4.48 million acres (1.76 million acres of new area and 2.72 million acres of old already cultivated area). In West Pakistan, the Third Plan target was to provide irrigation and reclamation facilities to a gross area of 21.59 million acres (3.98 million acres of new area and 17.61 million acres of old already cultivated area).

12.10 In the power sub-sector, the Third Plan objectives in East Pakistan included efforts to develop the industrial base for which many of the projects would be energy-intensive. The Plan involves a substantial increase of generating capacity in East Pakistan mainly of the thermal type. Additional planned capacity of EPWAPDA would amount to 607 MW, thereby bringing the total installed capacity of EPWAPDA to above 800 MW including 202 MW—the capacity of the Second Plan period. After retirement of old plants EPWAPDA estimates an available capacity of 721.5 MW. The generation schemes for this purpose are: 110 MW Ghorasal Thermal Power Station, 60 MW Chittagong Thermal Power Station, 60 MW Khulna Thermal Power Station, Improvement and Augmentation of power supply under Crash Programme (100 MW) and Power Generation to meet emergency (37 MW). The two last mentioned schemes have been necessary in order to take care of the anticipated shortfall of power during the period 1966-68. Other generation schemes which are ongoing second Plan Schemes are Karnaphuli Third Unit of 50 MW, Siddhirganj Thermal Station Extension of 50 MW and Ashuganj Thermal Station of 120 MW.

12.11 The grid systems, namely, the Karnaphuli-Siddhirganj grid and the Goalpara-Bhermara grid are to be interconnected by an interconnector across the Brahmaputra. Around the two centres Dacca and Chittagong 132 KV ring is to be constructed in order to provide reliable supplies to these cities and to the industries a ound them. 132 KV transmission line will connect Ashuganj-Mymensingh-Jamalpur in order to provide power to the district of Mymensingh and a 132 KV line will be extended from Sirajganj to Saidpur in order to provide power to the districts of Rangpur and Dinajpur. A 132 KV line will connect Goalpara-Mongla-Barisal in order to provide power to Mangla and Barisal area. The Siddirganj-Ashuganj-Sylhet 132 KV inter-connector will be extended to Chattak, and a second circuit will be added to this from Siddhirganj to Ashuganj and to Shahjibazar, and Ghorasal station will be inter-connected with it. A second circuit will also be provided on the Goalpara-Bheramara-Ishurdi 132 KV line. Lower voltage lines totalling 3 600 miles will be linked to these main transmission lines in order to make available power to consumers from the grid. The benefits of electricity were, as envisaged initially in the Plan, expected to be brought to 2,500 villages in East Pakistan during the Third Plan but this target has been considerably scaled down and now stands at 688.

12.12 For these purposes the Third Plan originally provided Rs 1,462 million for East Pakistan power development, which was revised to Rs. 1,550 million.

12.13 In West Pakistan, the Third Plan target aimed at raising the installed capacity in the province to 2,200 MW from existing 1,135 MW and annual energy gen ration from 3,661 MKWH (3,231 units public utilities plus estimated 430 units captive industrial capacity) to 7,450 MKWH (7,050 units—public utilities and estimated 400 units captive industrial capacity) with corresponding increase in per capita generation from 70 units to 130 units. The Plan also provided for

increase in total mileage of transmission lines from 13,500 to 25,000 circuit miles. Greater emphasis than previously was placed in the current Plan on rehabilitation and improvement of the distribution system and accordingly an allocation of Rs. 920 million was made out of total allocation of Rs. 1,925.75 million for this purpose. The distribution programme covers renovation of existing distribution lines, construction of new 11KV and low tension lines, construction of new grid stations and extension of existing ones and also provides for the installation of capacitors and line voltage regulators to stabilize voltage and improve the quality of service to consumers. After launching of the Plan it was decided to merge the village electrification programme with the distribution of power and tube-well electrification schemes in order to make the best use of the additional mileage of distribution mains to be laid and to economise on available resources. Under the new arrangement only these villages will be electrified which are close to the tube wells and the original Third Plan target to electrify 4,000 villages has been curtailed to 1,000 only. The original Plan target for tube-well electrification (25,000 tube-wells) has, however, been kept intact.

12.14 Of the additional generating capacity which will become available under the current Plan, 600 MW (45 per cent) will be hydel, all from the Mangla Dam Hydro-electric station. 300 MW of this capacity is being provided under the Indus Basin Development Fund outside the Plan allocation. 600 MW of the capacity will be thermal (45 per cent) and the balance 10 per cent will be nuclear. The additional thermal capacity will become available on the completion of the Gudu Power Station (first stage) based on Mari Gas (200 MW), Lyallpur (130 MW), Lahore Gas turbine (88.5 MW) extension to Karachi 'C', Hyderabad, Sukkur and Quetta stations 125,23,25 and 7.5 MW respectively all based on Sui Gas.

Third Plan Implementation during 1965-67

12.15 During the first two years of the Plan, an area of 1.12 million acres has been provided with irrigation facilities for the first time (0.25 million acres in East Pakistan and 0.87 million acres in West Pakistan). About 4.40 million acres (0.95 million acres in East Pakistan and 3.45 million acres in West Pakistan) have been improved through better irrigation facilities, provision of surface and sub-surface drainage systems and flood regulation. This achievement works out to about 20 per cent and 22 per cent of the Plan targets of 5.74 million acres and 20.33 million acres respectively. At the present rate of progress and given the anticipated levels of resources available, it seems unlikely that more than 70 per cent of the physical targets will be met. However, since efforts have been concentrated on projects with relatively high benefits, the shortfall, if any, in output from water projects, is likely to be less than the shortfall in investment.

12.16 During the period under review, the installed generating capacity of EPWAPDA system increased from 202 MW to 223.5 MW. Further, generating stations with an additional capacity of 84.7 MW are expected to be commissioned during 1967/68. This capacity will consist mostly of gas turbines under the

Emergency and Crash Programmes. The oute length of transmission and distribution lines increased from 2,300 miles to 3,824 miles and the number of consumers increased from 104,000 to 150,000. Besides, 363 places consisting of 163 sub-divisional and thana headquarters and 200 villages were electrified as against the Plan target of 1,156 places.

12.17 In West Pakistan, the total generation including generation from captive industrial capacity and private owned public utilities increased from 3,661 MKWH in 1964/65 to 4,170 MKWH in 1965/66, and 4,380 MKWH in 1966/67 which constitutes less than 60 per cent of the Plan target for 1969/70. In the field of transmission and distribution, some 9,300 miles of transmission and distribution lines (11 KV and above) were added to the system. It was planned to add 100,000 new consumers every year to the WAPDA system during the current Plan period. During the first year of the Plan, the target was exceeded and 113,600 new connections were given. During 1966/67, however, due to the power crisis, the target could not be achieved and only 88,625 new connections were given. On the whole, total number of consumers in the province (including Karachi) which stood at 837,000 in 1964/65 increased to 977,480 in 1965/66 and 1,083,578 in 1966/67.

12.18 A detailed picture of physical targets and achievements in the water and power sub-sectors is presented in Table 11.1 (Statistical Appendix). The principal physical achievements of both the water and power sub-sectors are discussed in the following paragraphs:—

WATER DEVELOPMENT

Investigations and Surveys

12.19 In East Pakistan, the Master Plan which was prepared by the Consultants and submitted to the Government in 1965, was reviewed jointly by the Government and the World Bank, who have, with the help and assistance of the WAPDA and the Provincial Government organised groups to evolve an action programme within its framework. This programme is to be suitably integrated with the Perspective Plan for the development of water, power and agricultural resources of the province. Detailed investigation and project planning on 13 schemes (som of which were carried over from the Second Plan), remained in progress. Completion of these schemes will provide the Government with feasibility studies of some of the projects and a comprehensive hydrological study of the province.

12.20 In West Pakistan, greater emphasis had been laid during the period on the formulation of regional and integrated Master Plans. With the assistance of consultants, West Pakistan WAPDA have been able to prepare comprehensive development plans for the Lower Indus Valley and the Northern Zone. The World Bank appointed three groups of Consultants to study the problems relating to optimum development of water, power and agriculture resources. Voluminous reports covering many facets of the problem have been produced. On the basis

of these reports and several rounds of discussions with the government agencies, the World Bank have been able to produce a very useful report running into several volumes. The recommendations embodied in this report are at present under consideration of the Government. Feasibility studies for a number of projects in Quetta and Kalat region and the north-western region of the province were taken up. Detailed basin-wide studies were undertaken for the Kurram, Haro, Soan and Siran rivers. A number of small schemes for the development of both surface and sub-surface water in the rain-fed areas of West Pakistan have been investigated. Work relating to the re-organisation of Irrigation Research Institute, Lahore, was also continued.

Multi-purpose Development

12.21 In the original Plan, multi-purpose development schemes were to absorb a large proportion of the total allocation to water and power development. The allocation was cut from Rs. 1,469 million to Rs. 854 million. Most of the reduction was for East Pakistan schemes, which were included in the list of Third Plan projects. Delays in the preparation of these schemes occurred, which will push the major part of the work on them into the Fourth Plan. Some reductions were made in the West Pakistan programme for similar reasons.

12.22 In East Pakistan, nine projects were in progress during this period. Against a Plan target of 65 miles, over 31 miles of embankments were raised under the Tipperah-Chittagong Multi-purpose Project; some 80,000 acres of land were irrigated under the Ganges Kobadak (Kushtia Unit) although it had been expected that 350,000 acres would be irrigated by 1968/69; and major works, excepting the drainage channel, were nearly completed under Dacca-Narayanganj-Demra project which will probably now be completed by the end of the Plan instead of 1967/68. The cost for the project has also increased by 110 per cent.

Irrigation

12.23 While the overall allocation for this sub-sector remained the same under the revised priorities of the Plan, the allocation to East Pakistan was reduced and to West Pakistan increased. The Groundwater Development and Pump Irrigation Project in East Pakistan was nearly completed. Out of the 380 tubewells envisaged under the scheme 15 were abandoned due to low yields and three are being used for the power house. The remaining tubewells have been completed and energized. The anticipated amount of water is not being pumped from these wells and agricultural facilities have not developed apace with water investments. A total of 526 diesel engine driven lift pumps have also been installed under the project. These pumps are operating, but at less than their anticipated capacity, due to technical difficulties. However, these difficulties are being removed and the project will start running on its full capacity after the work on field channels, etc., is completed. Work on Teesta sub-project was finally completed much behind schedule and 5,000 acres were irrigated during the period.

12.24 In West Pakistan, work continued on (a) the construction of a net-work of distributories in parts of Hyderabad, Thatta and Dadu districts under the Kotri Barrage Scheme; (b) the remodelling of main canals and excavation of distributories, and minors under the Gudu Barrage Project and (c) the construction of protective bunds and embankments allied to Taunsa barrage. Excepting a few minors and watercourses, Tanda Dam has been completed. Work on Karachi Irrigation, Khanpur project and Warsak canals remained behind schedule. Among the small dams, the Durnal Dam, Mang Dam, and Bajwala Pickup weir were completed and Gurabh Dam was brought to the final stage of completion. Experience with these dams shows that design and engineering of such schemes needs to be improved; and more realistic phasing should be made for the development of irrigation facilities.

12.25 A large number of small irrigation schemes in the barani lands of West Pakistan were completed by the Irrigation Department. Mostly tube wells there, on the whole, have quickly resulted in an increase in the agricultural output of areas coming under their influence.

Drainage, Reclamation and Tubewells

12.26 The reduced allocation to this sub-sector from Rs. 1,561 million to Rs. 1,133 million occurred mainly in WAPDA's public tube-wells programme, where the target of completing 12,000 tube-wells in the Third Plan period was reduced to 9,018. However, the amount of water available in the Third Plan from those schemes was to remain the same as a result of speeding up the electrification of wells. This sub-sector continued to receive a high priority by all the executing agencies. With a view to providing relief from storm flooding and surface drainage congestion, the Irrigation Department, besides completing a number of small surface drainage schemes, continued their efforts to remodel the existing drains and construct new major ones under Sukhrawa Drainage System, Pandoki Drainage System, Jaranwala Drainage System, Satiana-Sammudari Drainage System, and Chakbandi Drainage System. About 871 miles of main drains were excavated under the Kotri Barrage Surface Drainage scheme being implemented by the Agricultural Development Corporation.

12.27 Against the target of 9,018 public tube-wells to be drilled during the Third Plan period under WAPDA's various SCARPS,* 2,613 tube-wells have since been drilled, 1,604 completed and 685 electrified and brought into operation. This progress though considerably faster than during the Second Plan requires further efforts specially on electrification which shows a considerable lag.

12.28 Investigation and planning for the new projects in the Lower Rechna Doab area and North Rohri area was completed and the project reports were due to be submitted early in 1967/68. More concerted efforts appear necessary specially on the SCARP projects, if the plan targets of water availability are desired to be achieved.

*Salinity Control and Reclamation Projects.

Flood Regulation

12.29 The original Plan allocation to this sub-sector was substantially increased from Rs. 460 million to Rs. 780 million. The increase was due to the upward revision of estimates of the Coastal Embankments Project in East Pakistan and the enlargement of allocations to East Pakistan projects whose completion had been delayed and is now being accelerated. Against the target of 3,083 miles of embankments in the coastal regions of East Pakistan, some 1,370 miles of embankmennt, along with 403 sluices, have so far been completed to bring protection to about 1.2 million acres of land from tidal inundation. The Brahmaputra Flood Embankment Project promising protection to 594,000 acres of land made considerable progress during the period. A number of other small schemes aiming protection from floods and removal of surface drainage congestion have been completed and are in progress.

12.30 In West Pakistan, the flood protection works comprising raising and strengthening of bunds and embankments, construction of loop bunds, construction of spurs, etc., were continued under the various schemes sponsored by the Agricultural Development Corporation and the Irrigation Department.

Open Canals

12.31 West Pakistan has a network of canals, a large number of diversion works and a growing mileage of embankments and drains. Works relating to their extension, improvement and replacement remained in progress. As a result of this, new areas have been brought under the command of the canals and irrigation supplies to some of the existing areas were improved.

Miscellaneous

12.32 The machinery pools operated by the WAPDAS' in East and West Pakistan separately were further strengthened to meet the growing demand on heavy earth-moving machinery by their own and other sister organisations.

Private Sector Tube-wells

12.33 In the Third Plan, it was anticipated that private tube-wells would contribute 27 per cent of the additional water for irrigation. The number of tube-wells in the private sector has continued to grow rapidly in West Pakistan. To a total number of 34,000 tube-wells in operation on the eve of the Third Plan, another over 12,000 were added during this period and it is expected that 8,000 more will be installed in 1967/68. Areas where the possibilities for private tube-wells are promising have been excluded from the public sector tube-wells programme. In East Pakistan, the installation of tube-wells by the private sector is starting to develop and the ADC has framed a scheme to assist development in this area.

Meteorological Services and Survey of Pakistan

12.34 The Meteorological Department aiming at strengthening and streamlining the collection and processing of basic climatelogical data continued its efforts.

Most of the programme executed so far comprised buildings to house storm-warning and wind-find radar stations at five places in both East and West Pakistan. Work has also been initiated on a Seismological Laboratory at Islamabad.

12.35 The programme relating to the survey of Pakistan which is essential for providing basic information required for projects in most sectors made very slow progress. Of the two major schemes included in the Plan the Multi-purpose Geodetic Survey Marks made some progress. If the targets are desired to be achieved more concerted efforts appear necessary.

Development in Northern Areas

12.36 The ongoing schemes envisaging extension of electricity to the villages Tanda, Jatli, etc., were completed. Work pertaining to five small hydel schemes was entrusted to WAPDA. Out of the seven testbores made under the Mirpur Tube-well scheme, three have been converted into tubewells. Work on the remaining tube-wells is in progress. The distribution system for the Gilgit Hydel Scheem (400 KVA) has been considerably lagging behind.

12.37 Progress on the ongoing Bong-Bong and Ghori Maidan channels and Skardu hydel had been rather disappointing. Work on the feasibility studies of small hydel schemes, entrusted to WAPDA, also remained considerably behind the schedule.

POWER DEVELOPMENT

Power Development in East Pakistan

12.38 A number of modifications of the original Third Plan programme have taken place in order to improve the original programme and to adopt it to the changed situation. The main modifications are: In the original programme a 60 MW station was to be located in Rangpur-Saidpur area. This has been dropped and substituted by 100 MW gas turbine station at Shahjibazar (Improvement and Augmentation of Power Supply Under Crash Programme). The proposed nuclear station which was included in the Third Plan is now expected to be commissioned during the Fourth Plan and to be of a larger size (200 MW rather than 140 MW). The 120 MW station is now changed to 110 MW Ghorasal Thermal station. The original Tongi-Tangail-Mymensingh line has been changed to start from Ghorasal to Mymensingh and to be extended to Jamalpur. The Ishurdi-Bogra-Nilphamari-Rangpur 132 KV line is now Serajganj-Bogra-Rangpur-Dinajpur 132 KV line. The Sylhet-Mymensingh 132 KV line has been dropped from the programme, and a new line, namely, Goalpara-Mongla-Barisal 132 KV line has been added.

12.39 The Third Plan envisaged an expenditure of Rs. 1,550 million in East Pakistan: a sum of Rs. 429.4 million or 27.7 per cent was spent during 1965-67. Expenditure in 1965/66 was Rs. 134.1 million and in 1966/67 Rs. 295.3 million.

With a view to maintaining the tempo of progress, a sum of Rs. 445.2 million has been earmarked for 1967/68. Over the Third Plan, it is likely that 100 per cent of the Plan allocation will be invested.

12.40 In East Pakistan, the power generating capacity of EPWAPDA increased from 202 MW to 223.5 MW, the length of transmission and distribution lines increased from 2,300 to 3,824 miles, the number of consumers increased from 104,000 to 150,000 and the electrified villages increased from 138 to 200 during the period under review.

12.41 The following table indicates the expected dates for commissioning of the major generating stations:—

	Installed capacity (MW)	Estimates of time of commissioning by EPWAPDA
Shiddirganj Termal Station Extension ..	50	June, 1969
Karnaphuli Third Unit ..	50	June, 1970
Ghorasal Thermal Station (1st Unit) ..	55	March, 1969
Ghorasal Thermal Station (2nd Unit) ..	55	September, 1969
Ashuganj Thermal Station (1st Unit) ..	60	October, 1969
Ashuganj Thermal Station (2nd Unit) ..	60	December, 1969
Khulna Thermal Station ..	60	June, 1969
Chittagong Thermal Station ..	60	December, 1969

From the above table, it is evident that although most of the major stations were expected to be commissioned by the end of 1969, this appears too optimistic. The two schemes, namely, "Power Generation to meet Emergency" and "Improvement and Augmentation of Power Supply Under Crash Programme" will be commissioned as scheduled and only Siddhirganj Thermal Station Extension could be commissioned by the end of 1969. The Rooppur Nuclear Power Station is now planned to be commissioned by 1973.

12.42 A shortage of generating capacity in East Pakistan emerged at the inception of the Third Plan and this was expected before hand. This happened primarily because of the fact that two generation schemes, namely, Siddhirganj Thermal Station Extension and Karnaphuli Third Unit were unduly delayed in financing by US/AID and no alternative arrangement for financing could be made. In order to take care of the impending shortfall, gas turbines under emergency and

crash programmes are being commissioned. Meanwhile, East Pakistan has unsatisfactory power supply due to occasional power shortage. This has happened when the Karnaphuli generators were taken out of service because they developed trouble. With the implementation of the emergency and crash programmes, the situation is going to improve but the uncertainty of the statisfactory operation of the Karnaphuli generators makes the power supply position unpredictable.

12.43 Studies done in the Planning Commission recently concluded that the power supply position would be unsatisfactory in East Pakistan during the remaining period of the Third Plan and even during the Fourth Plan in the zone west of the Brahmaputra and recommended initiating a scheme right now for addition of 60 MW capacity at Khulna in the zone west of Brahmaputra, expediting the commissioning of the Karnaphuli Third Unit so that it could be available as soon as possible, connecting the Fenchuganj Thermal Station to the grid system in order to make its excess capacity available to the grid and assigning high priority to the East-West Inter-connector so that adequate power could be made available to the zone west of the Brahmaputra from the eastern zone during the Fourth Plan even in case of delay in the commissioning of the nuclear power station.

12.44 Details of progress on major transmission schemes, secondary transmission and distribution schemes and other miscellaneous schemes in East Pakistan power sector are given below:—

Major Transmission Schemes

(*i*) *Second Plan on-going schemes:*

(a) 132 KV Ishurdi - Bheramara - Goalpara transmission line This scheme has been completed except for the crossing over the Harding Bridge. It was originally to connect Bheramara and Goalpara, but has been modified to connect Bheramara to Ishurdi as well.

(*a*) *Siddhirganj-Ashuganj-Sylhet Inter-connector*

This was originally started as Comilla-Sylhet Interconnector. It has been modified to start from Siddhirganj and to connect Ashuganj and Sylhet. Out of 159 miles, 102 miles of this line have been completed, i.e., 60 per cent physical work is completed.

(*ii*) *Third Plan New Schemes*

Ninety seven per cent of the work is completed on the second circuit between Siddhirganj and Ashuganj of the Siddhirganj-Ashuganj-Sylhet Inter-connector and stringing on the connection between Ghorasal and the grid and the addition of second circuit to the Ashuganj-Shahjibazar section of the above-mentioned interconnector is about to be completed.

The route survey for the Madanhat-Dohazari 132 KV line has been completed. Tender for the route survey of the Sirajganj-Saidpur 132 KV line has been

called. Agreement with a Yugoslav firm has been signed for the design and construction of the 132 KV Ashuganj-Mymensingh -Jamalpur line. The casting of tower foundations of phase I of the 132 KV Dacca Loop is in progress. Work is in progress to connect 60 MW Chittagong Station with Madanhat grid station. Agreement between Canada and Pakistan for $ 10 million aid has been signed for the East-West Inter-connector. Preliminary work has been undertaken and Rs. 0.18 million was spent but the scheme is yet to be submitted to the Planning Commission.

Secondary Transmission and Distribution

The programme consists of three parts, viz. (i) Improvement of distribution facilities for Dacca, Chittagong and Khulna and transmission lines of 66 KV both in the zone east and the zone west of the Brahmaputra, (ii) Constructing 33 KV and 11 KV lines in various locations of East Pakistan for providing electrification to towns and small towns, etc. This is ongoing from Second Plan and (iii) Additional 33 KV and 11 KV lines having the same purpose as (ii) and this programme pertains to the Third Plan.

For the Improvement of power distribution system at Dacca and Chittagong most of the materials were received, work orders had been issued for 132 KV and 33 KV lines and work on sub-stations was progressing. For the improvement of distribution system at Khulna and Kushtia, field survey and design has been completed, orders have been placed for materials and equipment and preliminary work taken up.

For the 66 KV lines from Comilla to Chandpur and from Feni to Choumuhani, consultants have been appointed and engineering is being done by consultants. For the 66 KV lines from Ishurdi to Pabna, and Sirajganj, 32 out of 69 miles have been completed and on the Ishurdi-Sardah-Rajshahi line all towers had been erected and stringing was in progress. The construction of sub-stations was also going on.

The construction of 33 KV secondary transmission and distribution lines under schemes which continued from the Second Plan totalled 355 miles. Eighty per cent of physical work was completed and Rs. 29 million was spent during the period under review.

Secondary Transmission and Distribution (Third Plan)

Under this 550 miles of 33 KV and 1,700 miles of 11 KV and 400 volt lines are to be constructed throughout East Pakistan. The scheme is in preliminary stage, foreign financing for which has to be arranged.

12.45 The following table summarises the physical achievements during 1965—67,

expected progress during the remaining three years of the Plan and the target aimed at by the end of the current Plan.

	At the beginning of the Third Plan	Present capacity	Expected 1967/68	Achievement 1968/69-1969/70		Target at the end of 3rd Plan
Installed capacity (MW)	200	224	308.7	375.5	601.8	809 (721.5 after retirement of old units)
Primary Transmission (miles)	199	484	646	750	800	952
Secondary Transmission and Distribution (miles)	2,101	3,340	4,140	4,940	5,361	5,361
Number of consumers	104,000	150,000	175,000	200,000	250,000	250,000
Number of places electrified	282	363	559	700	900	1,156

Power Development in West Pakistan

12.46 To provide abundant and relatively inexpensive electric power has been one of the main objectives of Pakistan's Five-Year Plans. In conformity with the above objectives, the Third Plan provides for West Pakistan Rs. 1,925.75 million for making up existing shortage between supply and demand, meeting anticipated Plan needs and generally improving quality of service. This figure represents an increase in the original Plan allocation of Rs. 1,688 million and is intended, *inter alia*, to initiate work on the second stage of the Southern Zone Thermal project and the inter-connection between this station and Karachi in the south and Lyallpur in the north. Out of the allocation of Rs. 1,925.75 million, a sum of Rs. 473.33 million or 24.5 per cent was spent during the first two years of the Plan (Rs. 227.88 million in 1965/66 and Rs. 245.45 million in 1966/67). In order to maintain the tempo of progress, a sum of Rs. 306.57 million has been earmarked for 1967/68.

12.47 The years 1965—67 were hard years for the power industry in the province. Physical achievements generally lagged behind, particularly in the generation sector. The commissioning of the Lyallpur Thermal Power Station scheduled in November/December, 1966 was considerably delayed due to the damage that took place to certain vital components of the steam turbine on the high seas, and the first unit was commissioned seven months later in July, 1967. At the same time, equipment failure at the main thermal station at Multan (260

MW) resulted in the complete outage of one unit and reduced the output of other three units of 65 MW each. The situation further worsened due to reduction in power generation from Warsak (160 MW) and shutting down of the hydel power stations at Nandipur and Chichoki Mallian on account of low flow of rivers in the winter months, and resulted in a serious power crisis in the northern grid system. Heavy load sheding had to be resorted throughout the year 1966/67 in order to meet the peak demands and only essential services were met on priority basis, particularly tube-wells. Supply to industrial concerns, however, could not be maintained on a continuous basis. No attempt has so far been made to assess the total loss to the national economy due to reduced industrial production, loss of Government revenue, etc. In the coming winter months with minimum water flow, the net capability of northern grid system will be around 740 MW, as against projected demand estimate of 600 MW. From here onward, supply in planned to keep pace with the growth in demand by installation of additional units at Mangla (third unit is scheduled to be commissioned in March, 1968, 4th unit in March, 1969, 5th and 6th units in December, 1970).

12.48 Mangla dam, however, was completed one year ahead of schedule and the first two units of Mangla power station were commissioned in July, 1967. With the increase in water flow in the river and additional availability from the Mangla and Lyallpur power stations, the power crisis was over in July, 1967. The Multan power station (260 MW) has been partially shut down and three out of four units have been stripped for complete overhaul. It is proposed to bring back the Multan power station to its full rated capacity during the current year.

12.49 In the southern zone the progress of work on the Hyderabad thermal power extension suffered due to impounding of certain materials by India during September, 1965 war and detection of a design mistake. Corrective measures have been taken and the boiler was scheduled to be commissioned in December, 1967. In the meantime, the 15 MW set is being operated at half its rated capacity due to reduced steam input. Satisfactory progress, however, was maintained in the implementation of Sukkur thermal station (extension) of 25 MW which was commissioned in April, 1967.

12.50 The total generation including generation from captive industrial capacity and private owned public utilities increased from 3,661 MKWH in 1964/65 to 4,170 in 1965/66, and 4,380 in 1966/67 which constitutes less than 60 per cent of the Plan target for 1969/70. As discussed in the preceding paragraphs the failure of existing power station and the delay in the commissioning of two thermal stations at Lyallpur and Hyderabad have contributed to low annual energy generation in 1966/67.

12.51 In the field of transmission and distribution some 9,300 miles of transmission and distribution lines, 11 KV and above, were added to the system. The second 220 KV circuit from Multan to Lyallpur was strung on existing towers and temporarily energised at 132 KV. It was planned to add 100,000 new con-

sumers every year to the WAPDA system during the current Plan period. During the first year of the Plan, the target was exceeded and 113,600 new connections were given. During 1966/67, however, due to the power crisis, the target could not be achieved and only 88,625 new connections were given. On the whole, total number of consumers in the province including Karachi which stood at 837,000 in 1964/65 increased to 977,480 in 1965/66 and 1,083,578 in 1966/67.

12.52 In the private sector, Karachi Electric Supply Corporation, continued to expand its generation, transmission and distribution facilities. The two units of 66 KW each of the Karachi 'C' Station which were commissioned during 1965/66 and found to be not properly balanced, are being corrected. The units continued to operate at below their rated output throughout 1966/67. The rotor of the first unit was replaced in July, 1967 and the second rotor is scheduled to be replaced in February, 1968. This would bring the station to its full rated capacity of 132 MV. External financing for the 125 MW esxtension to the 'C' station with associated transmission and distribution facilities has already been arranged. This extension of 'C' station is scheduled to be commissioned by June, 1969.

Financial Outlay

12.53 In financial terms, an amount of Rs. 2,078.67 million was spent on the water and power projects during 1965-67 against the Third Plan allocation of Rs. 8,047.29 million, thereby showing the utilization of 25.8 per cent. In the water sub-sector, an amount of Rs. 1,070.03 million was spent against the Plan allocation of Rs. 4,198.94 million, which is almost 25.5 per cent and in the power sub-sector (including Atomic Energy Programme) an amount of Rs. 1,008.64 million was spent against the Plan allocation of Rs. 3,848.35 million, which is about 26.2 per cent. A detailed picture of financial targets and achievements is presented in Tables 12.2, 12.3, 12.4 and 12.5 (Statistical Appendix).

Chapter 13

TRANSPORT AND COMMUNICATIONS

Introduction

13.1 An effective transport and communications system is an important part of the development of physical infra-structure which in turn determines the growth rates in a developing economy. In the context of national development, transport and communications facilities play a strategic role in expanding the domestic markets and raising the level of economic and social activities, leading to accelerated growth in the agriculture, industry and other sectors.

13.2 The Second Plan had allocated Rs. 2,725 million for transport and communications but actually invested 13 per cent more. Many of the physical targets of the Plan were exceeded and in overall terms the economy was capable of supporting much higher growth rates at the end of the Plan period.

Third Plan Objectives and Targets

13.3 The principal objectives of the Third Plan included:

(i) maintenance, rehabilitation, improvement and modernization of the existing facilities and augmentation of the sectoral infrastructure,

(ii) expansion of the transport and communications net-work and capacities in relation to traffic needs to the maximum extent possible within the framework of the available resources, and

(iii) introduction of improved operating techniques and organisational methods with a view to maximizing output with the available resources.

13.4 In pursuance of the above objectives, the Plan envisaged the following development programmes in the various sub-sectors:

(i) to rehabilitate the Pakistan Railways by continued track renewal, replacement of rolling stock and other equipment, improvement of line capacity and modernization of signalling facilities and to undertake construction of essential new railway lines in a few sections;

(ii) to develop the existing ports in both East and West Pakistan by providing additional landing facilities, craft and other equipment; and to investigate the possibility of increasing their number from 3 to 4;

(iii) to increase the shipping fleet to cope with the passenger and cargo traffic between East and West Pakistan and to increase the country's share in international shipping; and to augment the training facilities for the personnel required for the expanding merchant fleet;

(iv) to provide better navigation and river port facilities on the inland waterways of East Pakistan;

(v) to improve the existing roads and to construct some new ones;

(vi) to replace the existing transport vehicles (buses and trucks) and to acquire additional vehicles;

(vii) to improve airport facilities and increase the frequency and scope of air services;

(viii) to set up 2,000 new post offices;

(ix) to instal 150,000 new telephones; and

(x) to improve and expand the existing broadcasting facilities and to introduce television facilities in both wings of the country.

Third Plan Implementation during 1965-67

13.5 Against the revised Third Plan (public sector) allocation of Rs. 6,711 million, an expenditure of Rs. 1,712 million was incurred during the first two years of the Plan. This is about 26 per cent of the Plan allocation, and indicates that the programme so far has generally lagged behind schedule. Progress has been particularly slow in the case of roads in East Pakistan (14.2 per cent), roads in West Pakistan (23 per cent) and the permanent port on the Pussur river (6 per cent). Relatively better implementation, *albeit* still considerably short of the Plan targets, was realised in the case of P. W. Railway (34 per cent); Civil Aviation (32 per cent); and East Pakistan Road Transport Corporation (30 per cent). In physical terms, the achievement was relatively even less than in financial terms; it is difficult to estimate the effect of cost increases during the period but it would appear that the physical achievement was about 20 per cent of the target.

13.6 The slow rate of Plan implementation was mainly due to uncertainties created by the postponement of Aid to Pak Consortium meeting in July 1965, the outbreak of war with India soon after the start of the Plan, and diversion of funds for food procurement. Other reasons for slow implementation include organizational and procedural delays, difficulties in land acquisition and protracted negotiations on some foreign-aid projects.

13.7 While this delay has led to occasional transport bottlenecks especially in the prompt handling of imports through the ports, the overall consequences have been mitigated somewhat because the demand for transport, arising from production and implementation of projects in other sectors, was also affected by the events recounted above. For example, as indicated below in the discussion of the railway programmes, railway traffic did not increase during the first two years of the Plan. However, if production in other sectors is accelerated in the coming years and if food self-sufficiency is achieved by 1970 the demand for transport

will also expand especially for shorter haul transport by road. The need for rehabilitation and modernization is, of course, still paramount.

13.8 The allocation for 1967/68 of Rs. 1,221 million is about the same as that for 1966/67. On the assumption that all of these funds will be invested, about 44 per cent of the Plan target would be reached by the end of 1967/68. This means that the Plan fulfilment will still be behind schedule. Larger investments and increased foreign exchange allocations will have to be allowed during the remaining two years for the Plan targets to be achieved in this sector.

13.9 The progress achieved in the various sub-sectors during the first two years of the Plan is described briefly in the following paragraphs:—

Pakistan Western Railway

13.10 The Third Plan allocated Rs. 1,500 million for P. W. R. In the first two years of the Plan, P. W. R. investments amounted to Rs. 504 million, or about 34 per cent of the Plan target. However, most of these expenditures were for schemes carried over from the Second Plan and relatively little was spent for new Third Plan projects.

13.11 The physical achievements for major items during the first two years are shown in the following table; they include works carried forward from the Second Plan, as well as new Third Plan works:

	Projected target, 1965-70	Achievement, 1965-67	Percentage achievement
Track:			
Mileage of rail renewals ..	851	177	21
Mileage of sleeper renewals ..	1,188	180	15
Rolling stock:			
Diesel Electric and Electric Locomotives	161	26	17
Passenger carriages	475	215	45
Railcars	34	1	3
Trailers	92	2	2
Other Coaching Vehicles ..	202	16	8
Wagons	9,232	2,998	32

As for major construction works, a number of line capacity works were completed and modern signalling works were nearing completion, and preparations were started for a fully mechanized marshalling yard at Samasata, a new yard at Lahore, doubling of lines between Kotri and Hyderabad and between

Chak Jhumra and Sangla Hill. Conversion of the Hyderabad-Mirpur Khas Section from Metre to Broad gauge has been completed and construction of Kot Adu-D.G. Khan rail link has made some progress.

13.12 Pakistan Western Railways programme, both in financial and physical terms, is thus somewhat behind schedule. The two major reasons for this are the suspension of foreign aid and the war with India. While progress is expected to be accelerated in 1967/68, with expenditures reaching Rs. 290 million, nevertheless, it is unlikely that the Plan targets will be achieved. At the same time, it also appears that P. W. R.'s traffic will not grow as rapidly as was estimated. The Third Plan expected freight traffic to increase by 34.9 per cent and passenger traffic by 20.94 per cent. However, both passenger and freight traffic have remaind virtually stable since 1964/65 at about 5,000 million ton-miles and 6,000 million passenger-miles. In view of this, the shortfall in investments has not been as serious as it would have been had traffic increased. Unless traffic increases more rapidly than in recent years, P. W. R. is not likely to be a bottleneck to economic development in general even at the lower investment levels though there may be occasional transport shortages. On the other hand, track renewals, the replacement of over-age rolling stock and the pace of modernization could well be accelerated by greater investments.

Pakistan Eastern Railway

13.13 The Third Plan allocated Rs. 915 million for P. E. R. In the first two years of the Plan, P. E. R. investments amounted to Rs. 243 million, or about 27 per cent of the Plan target. Of this amount, about 80 per cent (Rs. 203 million) was for schemes carried over from the Second Plan. Expenditures for new Third Plan schemes amounted to only Rs. 40 million in the first two years, which is 7 per cent of the Plan targetfor new schemes.

13.14 The physical achievements for major items are shown in the table below; these include both works carried over from the Second Plan as well as new Third Plan.

	Projected target, 1965—70	Achievement, 1965—67	Percentage Achievement
Track:			
Mileage of rail renewals ..	528	42	8
Mileage of sleeper renewals ..	690	84	12
Rolling stock:			
Diesel Electric Locomotives ..	84	18	21
Wagons	4,161	73	2
Passenger carriages	516	121	16
Other coaching vehicles ..	223	—	—

As for major construction works, the doubling of the main line between Dacca and Chittagong is about 26 per cent completed while construction of the Faridpur-Barisal line is 7 per cent completed.

13.15 Pakistan Eastern Railway's progress, both in financial and physical terms, is thus substantially behind Plan targets. The major reasons for this include difficulties in land acquisition and delays due to contracting procedures. While contracting and funding difficulties are now being overcome, the problem of timely land acquisition continues.

13.16 Expenditures in 1967/68 are expected to be accelerated to Rs. 150 million. This target seems practical since orders for major items have already been placed. Nevertheless, it is almost certain that Third Plan investment targets will not be achieved. However, it now also seems that P.E.R's traffic growth will be less than anticipated. The Third Plan expected freight traffic to increase by 30 per cent and passenger traffic by 15 per cent. So far, passenger traffic has remained stable at little over 2,000 million passenger-miles and freight traffic has declined from about 900 million ton-miles in 1964/65 to 867 million ton miles in 1966/67. In view of this, the shortfall in investments has been less serious than if traffic had increased. However, major parts of the investment programme are not intended to increase capacity but to improve efficiency. To the extent that these investments are not taking place P.E.R's modernization is being delayed and transport costs remain higher. However, unless traffic increases significantly in the remainder of the Third Plan, P. E. R. is not likely to be a general bottleneck to the development of East Pakistan, though occasional transport shortages may arise.

Roads

13.17 The Third Plan allocation for roads in East Pakistan was Rs. 1,000 million. This was intended to increase the network of high-type roads from 1,900 miles to about 2,900 miles during the Plan period. Investments during the first two years amounted to Rs. 142 million, or 14 per cent of the Plan target. About 240 miles of road were newly paved and 37 miles were otherwise improved, which is about 25 per cent of the target; however, construction of major new roads has not yet started.

13.18 The major reasons for the shortfall are difficulties in land acquisition and in the procurement procedures for construction materials through the Supply Directorate. In addition, the two major foreign aid projects, i.e., the Dacca-Chittagong and the Dacca-Aricha highways, have been delayed because higher cost estimates have required further negotiations. As a result, expenditures for roads were substantially less than budget allocations. It is expected that expenditures in 1967/68 will double to Rs 140 million: in spite of this, only about 28 per cent of the Plan target will have been reached by the end of 1967/68. It is almost certain therefore that the Plan target cannot be fulfilled, unless the present

trends can be sharply reversed. A re-organization of the R. & H. directorate has since been effected and should help in producing better results.

13.19 The Third Plan allocated Rs. 850 million for roads in West Pakistan. This was intended to result in the construction of new roads and the improvement of existing roads amounting to 2,350 miles during the Plan period. Investments during the first two years amounted to Rs. 195.4 million or 23 per cent of the Plan target. Improvement and new construction have amounted to about 630 miles, which is about 26 per cent of the target. The difference between the financial and the physical achievement is accounted for by the fact that progress on the larger and the expensive project has been relatively less. The major reasons for the shortfall are the curtailment of the Annual Development Programme for 1965/66 during the last emergency and also difficulties with one of the foreign aid projects, namely, the construction of the Karachi-Hyderabad road. The delays for the latter are due to: (i) tenders were re-invited, because the tender received was too high, (ii) the equipment ordered by the contractors from U.K. was delayed due to the closure of Suez Canal.

13.20 The RCD highways from Karachi to the Iranian border (via Quetta) is also behind schedule, with expenditure of Rs. 10.4 million in the first two years. This is about 12 per cent of estimated costs. The reasons for the delay are that schemes for different sections of road were submitted late for approval.

13.21 However, progress on the major bridges across the Ravi rivers (near Lahore), the Jhelum (at Jhelum) and the Sutlej (near Bahawalpur) is well advanced and their completion is expected in 1967/68. Expenditures in 1967/68 are expected to increase slightly to about Rs. 154.6 million. This means that by the end of 1967/68, 40 per cent of the Plan targef will have been reached. The Communications and Works Department has recently been bifurated into two separate departments,-one for buildings, and the other for roads-this will in turn lead to more efficient operations. Nevertheless, it will not be possible to make up the delays incurred so far in the remaining years of the Third Plan.

13.22 The Third Plan allocated Rs. 83.75 million for the road development programme under the Centre. Total expenditure in the first two years of the Plan amounted to Rs. 35 million. It included the Indus Valley Road, connecting Gilgit with the rest of West Pakistan which was completed in June 1967 at a cost of Rs. 16.1 million, against the allocation of Rs. 20.0 million in the Plan.

Road Transport

13.23 The Third Plan provided for the procurement of 30,500 commercial vehicles (13,500 for East Pakistan and 17,000 for West Pakistan). About 27,000 of these vehicles were to be acquired by private operators and the remainder by the East and Wast Pakistan Road Transport Corporations. During the first two years of the Plan, the commercial vehicle fleet in West Pakistan is estimated to have increased by about 5,000 vehicles, which is about 20 per cent of the Plan target; in East Pakistan, the increase has been about 2,000 vehicles, or about 20 per cent.

13.24 The Third Plan allocated Rs. 40 million for E.P.R.T.C. for the acquisition of about 800 buses and the construction of related facilities such as workshops, training centres and bus depots. Investments during the first two years of the Plan amounted to about Rs. 12 million, or about 30 per cent of Plan targets. The physical achievements include procurement of 167 new buses, rehabilitation of 45 old buses, construction of 26 passengers shelters in Dacca and improved training facilities. Expenditures in 1967/68 are expected to increase to Rs. 13 million, which appears realistic in light of the orders already placed. The overall Third Plan target may come close to realisation.

13.25 The Third Plan allocated Rs. 135 million to W.P.R.T.C. for the procurement of 2,270 buses and the construction of related facilities. Investments during the first 2 years amounted to Rs. 17 million, or about 13 per cent of Plan targets. The major physical achievements include the procurement of 417 buses, or about 20 per cent of the target. The major reason for the shortfall is the lack of foreign exchange. However, in the second part of 1966/67 it became possible to order 732 buses under an Italian credit and 127 double decker buses under an IDA credit. As a result, expenditures in 1967/68 are expected to increase to Rs. 22 million. About 700 buses are being donated by Sweden as a gift which will be received in 1967/68.

Inland Water Transport

13.26 The Third Plan allocated Rs. 261 million to the East Pakistan Inland Water Transport Authority to improve navigational and terminal facilities. Investments during the first two years amounted to Rs. 45 million, or 17 per cent of the Plan target. Most of this expenditure was for schemes started in the Second Plan and hardly any investments were for new Third Plan projects. The major achievements during the two years include completion of terminal buildings at the inland river ports of Khulna, Narayanganj, Dacca and Chandpur and terminal pontoons at Barisal ; a detailed hydrographic survey of 835 miles including 310 miles of repeat survey and a reconnaissance survey of 1,000 miles of waterways; and substantial progress was made on the provisiona of a Decca chain radio location system and on the construction of a repair workshop at Barisal including a self-docking floating dock in a German yard and a survey-cum-inspection launch at Hong Kong.

13.27 Physical progress on major items is shown in the following table; it includes both the schemes carried forward from the Second Plan as well as new Third Plan schemes:

	Projected target 1965—70	Achievement 1965—67	Percentage achievement
1	2	3	4
Development of major inland river ports	5	5	100
Lanch landing stations	101	18	18

1	2	3	4
Decca chain radio location system (stations)	4	4	100
Hydrographic survey of waterways (miles)	2120	835	39
Secondary ports . .	3	—	—
Aids to navigation (miles) . .	800	—	—
Acquisition of dredgers	3	—	—

13.28 The reasons for the shortfall include the time taken in the collection of basic data needed to prepare projects; difficulties in land acquisition, and the war with India. Efforts are being made to overcome these problems and while it is expected that 1967/68 expenditures will increase to Rs. 42.9 million it will not be possible to reach the Third Plan targets.

13.29 The East Pakistan Shipping Corporation had incurred an expenditure of Rs. 3.9 million in the first two years of the Plan, which is 28 per cent of the Plan allocation of Rs. 14 million. One LCT was delivered in 1966/67 and a second one was expected during 1967/68. Ten MOT life boats have also been delivered. No progress has been made on the acquisition of two second-hand oil tankers for want of foreign exchange.

Ports

(*i*) *Karachi*

13.30 The traffic at Karachi has continued to increase from 7.8 million tons in 1964/65 to 9.1 million in 1966/67, which is above the port's designed capacity. To meet this growing traffic, the Third Plan allocated Rs. 300 million, primarily for the reconstruction of four old berths, the construction of three new berths, civil engineering works and equipment. During the first two years of the Plan, Rs. 59 million was spent, of which the major items were for purchase of craft and equipment and work on three new berths. However, the expenditures were only about 20 per cent of Plan allocation. The programme so far, is, therefore, behind schedule, primarily because of delays in finalising contracts. However, major contracts have now been finalised so that the major schemes are now well underway and the implementation of the programme will be accelerated during the remaining period of the Plan though it is not likely that the delay so far incurred can be made up. In 1967/68, it is estimated that investments will increase to Rs. 59.56 million, so that by the end of the third year, about 39 per cent of the Plan target will have been achieved. It is expected that the reconstruction of four old berths

and the construction of three new ones will be completed in 1971 while widening and deepening of the main navigation channels in 1970.

13.31 There is the serious danger that with the continuing growth of traffic, Karachi port may become a major bottleneck in the coming years. Operational measures are being taken to minimise congestion and the Port Trust has recommended an expanded programme for mechanisation and modernisation of cargo handling equipment. A master plan for future expansion of the port has also been prepared and is under active consideration.

(*ii*) *Chittagong*

13.32 Traffic in Chittagong port reached 4.3 million tons in 1966/67, compared to 3.3 million tons in 1964/65. The Third Plan had allocated Rs. 300 million to expand and modernise Chittagong port so that it could handle the growing traffic efficiently. During the first two years of the Plan, the expenditures were only Rs. 52 million primarily for preliminary work on the rehabilitation of six jetties and the construction of an off-shore oil terminal, which was completed in late 1967. With only about 16 per cent of the programme completed in two years, its progress is substantially behind schedule. The major reasons for this delay are the difficulties in the availability of foreign exchange and in the selection of suitable contractors. It is expected that progress will be accelerated in 1967/68, and that expenditures will reach Rs. 60 million, which would be in line with the Plan allocation. It is unlikely, however, that the targets can be achieved by the end of the Third Plan.

13.33 If traffic in East Pakistan continues to grow, serious difficulties can be expected at Chittagong and consideration must be given to further operational improvements, additional investments and a better distribution of traffic between Chittagong and Chalna.

(*iii*) *Chalna* (*Permanent Port*)

13.34 The Third Plan allocated Rs. 160 million for the construction of the first phase of a permanent port at Chalna. Expenditures during the first two years have been only Rs. 9.6 million or about 6 per cent of the Plan allocation. However, a contract for the construction of the new port was signed recently so that expenditures in 1967/68 are expected to increase to Rs. 17.5 million. Nevertheless, it is certain that development of the new port will be delayed, requiring therefore, continuing reliance on the Chalna Anchorage.

(*iv*) *Chalna* (*Anchorage*)

13.35 The Plan allocated Rs. 27.5 million for the Anchorage, against which Rs. 7.29 million or 18 per cent of the allocation was spent in the first two years. Expenditure in 1967/68 is expected to rise to Rs. 11 million, bringing the expenditure in first three years to 75 per cent of the allocation.

Shipping

13.36 Traffic carried by National Shipping Corporation increased from 0.5 million tons in 42 voyages in 1964/65 to 1.1 million tons in 1966/67 in 131 voyages and net foreign exchange earnings amounted to Rs. 30 million in the latter year. To permit a greater participation of Pakistani ships in Pakistan trade, the Third Plan authorized the acquisition of 52 ships, of which 37 ships (14 new and 23 second hand) were to be acquired by NSC, at a total cost of Rs. 500* million. During the first two years of the Plan, NSC ordered 14 vessels, at a total cost of about Rs. 170 million, which is about in line with the Plan target. Of these 14 ships, six have already been delivered, six are expected in 1968 and two in 1969.

13.37 In addition to these, four liberty type vessels have been acquired at a cost of Rs. 7.5 million primarily to supply East Pakistan with coal.

13.38 During the remaining Plan period, NSC propose to acquire 23 ships (6 new and 17 second hand) at an estimated cost of Rs. 329 million.

13.39 Whether the programme can be completed in time will depend on the availability of foreign exchange credits. While no difficulties are expected in obtaining foreign credits for new vessels, restrictions recently imposed on the financing of second-hand ships on a pay-as-you-earn basis may prevent the further procurement of such ships, of which NSC had intended to buy 17 in the last three years of the Plan. The question of modifying these restrictions is under review.

Tourism

13.40 The Third Plan provided Rs. 30 million for the Tourist development programme in the public sector, which included provision of rest houses, transportation, recreation facilities, development of tourist resorts, and tourist publicity at home and abroad. During the ye rs 1965/66 and 1966/67 the Department of Tourism ·pent Rs. 7.75 million against the allocation of Rs. 11.4 million for the two years. Thus, about 25 per cent of the Plan allocation has been pent in the first two years. The shortfalls were due to difficulties in securing foreign exchange and procedural and administrative problems.

13.41 Schemes implemented included improvement of a golf course at Abbottabad, establishment of a hotel training institute, provision of cruising boats for East Pakistan and purchase of road transport for Gilgit, Moenjodaro, etc. In addition, there have been major investments in the private sector, including especially the opening of three Intercontinental hotels at Dacca, Lahore and Rawalpindi.

Air Transport

13.42 Dur ng 1965-67, domestic air traffic increased by about 32 per cent (in passenger miles). The airport investment programme moved forward approxi-

* Rs. 500 million is total Plan allocation, including Rs. 140 million for private cost.

mately in line with the target set in he Third Plan. Forty two schemes were completed. Improvements were made at some of the major airports notably at Karachi, Dacca, Rawalpindi, Lyallpur, Comilla, Ishurdi and Chitral. New air services were provided to Pasni, Gwadur, Punjgur and Hyderabad and new works were started at Moenjedaro and D. I. Khan. An airport was planned for Khulna. In 1967/68 the major works in progress include construction of jet runways at Dacca (Kurmitola), Rawalpindi and Skardu. During 1965-67, approximately Rs. 137 million out of the Plan allocation of Rs. 440 million (or about 32 percent) have been utilized and a further sum of Rs. 100 million is expected to be spent in 1967/68. It is thus likely that the Third Plan target will be fulfilled

13.43 PIA achieved the most rapid expansion ever in the last two years. Domestic passenger traffic rose by 26 per cent, cargo traffic by 1 per cent and the number of domestic routes increased from 18 to 24. International traffic in terms of revence ton miles also expanded enormously by 62 per cent; ten more cities were added to 14 already served. In addition, frequencies were increased on most of the routes. To meet thegrowing demand, PIAC acquired two Boeing 707-340-C, three Trident (besides the President's Trident which was integrated with PIA's fleet) and five Fokker F-27 aircraft. This increased the overall capacity between 1964/65 and 1966/67 from 124 to 165 million ton miles and revenue ton miles from 79 to 98 million. PIA continues to operate profitably. PIA's expenditure of Rs. 222 million was about 65 per cent of the Plan allocation of Rs. 345 million. Another Rs. 100 million are likely to be spent during 1967/68 and it is highly likely that the Plan target for PIA will be more than fulfilled.

Postal Services

13.44 Against the plan target of 2,000 new post offices, 774 were opened during 1965—67 or about 38 per cent. Works in respect of four postal buildings and 50 quarters were completed while construction of 75 postal buildings and 300 residential quarters were in progress. Arrangements were made for he purchase of 40 motor vehicles for mail motor services. The postal traffic including unregistered articles and accountable mail stood at 755 million in 1966/67 against 742 million in 1964/65. The postal revenue in 1966/67 was Rs. 95 million against Rs. 82 million in 1964/65.

13.45 Special services, like the postal savings and postal life insurance services, made steady progress. The net collections under the postal savings stood at Rs. 1,417 million in 1966/67 as against Rs. 1,349 million in 1964/65. The number of postal life insurance policies increased from Rs. 110,641 in 1964/65 to 123,896 in 1966/67 and the sum assured increased from Rs. 336 million to Rs. 476 million correspondingly.

13.46 The Post Office Department spent a sum of Rs. 14 million during 1965—67 against the revised Plan allocation of Rs. 70 million, or 20 per cent) mainly on reconstruction of postal buildings and staff quarters. Another

Rs. 14 million are likely to be spent during 1967/68 and it is expected that, with increased allocation during the remaining two years, the Plan target can be nearly achieved.

Telegraphs and Telephones

13.47 The T. & T. Department, utilized during 1965-67 a sum of Rs. 255 million out of the Plan allocation of Rs. 1,151 million or about 22 per cent. It is expected that in 1967/68, a sum of Rs. 170 million will be spent so that about 36 per cent of the Plan target would be reached by then.

13.48 Against the Plan target of 150,000 new telephones, some 24,000 or about 16 per cent were installed during 1965—67. Work on another 25,000 is likely o be completed during 1967/68. The progress appears to have been behind schedule on account of (i) inadequate funds, (ii) shortages of foreign exchange particularly for telephone cables, and (iii)delay in the setting up of the cable factory.

13 49 The trunk call traffic continued to show an upward trend. Effective inland trunk call, (other than STD) increased from 9.6 million in 1964/65 to 9.8 million in 1966/67; while STD calls correspondingly increased from 7.4 million to 18.8 million. The number of telegrams increased from 6.3 million in 1964/65 to 6.6 million in 1966/67. The telegraph and telephone line network was, therefore, strengthened and expanded. Point to point dialling was introduced between Karachi and Lahore, and Karachi and Rawalpindi. The Telegraph and Telephone Department continued to operate profitably.

13.50 During the year under review, the manufacturing programme of the telephone Industries was expanded as can be seen from the following achievements:—

	1965/66	1966/67
i) Telephone exchange equipment (line)	15,000	19,900
(ii) Private branch exchange(—) ..	8,800	7,800
(iii) Te ephone instrument (Nos.) ..	22,400	37,000

13.51 As indicated, the telegraphs and telephones programme is behind schedule and it will require an extraordinary effort and an increased foreign exchange availability to fulfil the Plan targets. The organisation and administration to implement the programme was strengthened during 1966/67. But nevertheless a shortfall of, perhaps, 15—25 per cent may occur. This will further accentuate the already acute supply situation in respect of telephones.

Broadcasting

13.52 During 1965-67, Radio Pakistan utilized a sum of Rs. 16 million out of Plan allocation of Rs. 90 million or about 18 percent. A further sum of Rs. 23

million is likely to be spent in 1967/68, so that about 43 per cent of the Plan target would be achieved. The shortfall is mostly due to lack of foreign exchange allocations. It is hoped that progress can be acelerated with the assistance of the Russian credits which was extended in October, 1967.

12.53 The on-going scheme for installation of high power short-wave transmitters (2 of 100 kw) at Islamabad has already been completed and the transmitters have been put into operation. This will help the dissemination of programmes from the Capital. Equipment has also been ordered for the provision of broadcasting facilities at Multan, Hyderabad and Khulna. Orders are being finalised for strengthening the short-wave facilities at Islamabad through two 250 KW transmitters.

Television

12.54 The Third Plan target of providing television service at important centres like Karachi, Dacca, Lahore, Rawalpindi, Peshawar and Chittagong is being met on schedule. While pilot stations have been set up at Dacca, Lahore and Rawalpindi, a full fledged station has been completed at Karachi. Arrangements have been made for the supply of equipment and provision of improved transmitting facilities for Dacca and Lahore. A Television Corporation has since been set up to develop and manage this service. The Corporation has so far utilized Rs. 16 million out of a Plan allocation of Rs. 63 million. It is expected that progress will be largely in line with the Plan targets. Full benefits of the television service can be achieved only through increasing the number of receiving sets. In this context, a decision to standardize television receiver components needs to be made immediately in order to achieve rapid and economic progress in their manufacturing.

Financial Outlay

13.55 The financial outlay during the first two years of the Third Plan amounted to Rs. 1,711.59 million against the Plan allocation of Rs. 6,710.86 million, thereby showing the implementation of 26 per cent. A detailed picture of physical and financial targets and achievements in the transport and communications sector is presented in Tables 13.1, 13.2, 13.3, 13.4 and 13.5 (Statistical Appendix).

Chapter 14

PHYSICAL PLANNING AND HOUSING

Introduction

14.1 The shortage of housing is a chronic condition of under-developed economies. The high rates of urbanisation which follow upon economic development efforts coupled with the paucity of resources only add to the housing problem which defies short-term solutions. In the long range view, the solution lies not merely in a haphazard growth of demarcated living units but in the creation of a total environment in which houses are a part of healthy and economically viable communities. In this way, the housing programme can find its proper place in the overall programme of economic development. This is the concept of Physical Planning and Housing adopted in the Third Plan. It rests on the proposition that the health and well being of the people is as much a factor in the promotion of the economic as that of the cultural side of life: that along with houses, the proper provision of services such as water supply, sewerage, transport and recreational facilities etc., not only makes people a little more comfortable but decidedly makes them economically more productive also.

Third Plan Objectives and Targets

14.2 Apart from the development of 130,000 residential plots for the construction of dwelling units (50,000 in East Pakistan and 80,000 in West Pakistan), the programme attaches special importance to what it calls "Basic Development" in Physical Planning. This includes strengthening of the institutional machinery for Physical Planning, preparation of physical plans on local, regional and provincial levels, planning of new towns and villages and projects for research, surveys and collection of data. In the provision of services, the role of the Physical Planning sector is largely one of co-ordinating the development of housing with facilities such as schools, health centres, post offices, transport and social welfare provided by various other sectors. But the programme includes in its regional development projects the provision of such services as water supply, sewerage, drainage, sanitation and recreation parks.

Third Plan Implementation during 1965-67

14.3 Apart from some progress in the construction of new capitals, public servants housing and government offices, achievements in the Physical Planning and Housing Sector vis-a-vis the Third Plan Objectives and Targets have been unsatisfactory. This was mainly due to the curtailment of budgetary provision in the very first year of the Plan and the subsequent slow progress in the preparation and execution of new schemes. The events of the first two years of the Plan which saw a break in the inflow of foreign assistance and outbreak of

hostilities with India necessitated a revision of Plan priorities away from projects which did not yield quick returns. In the housing sector programme this inevitably implied a slowing down of action on such long range projects as 'Outline development Plans' and research in building materials. The absence of any single scheme relating to low income housing to which the Plan attaches a high priority, however, indicated that even within available allocations, sufficient urgency was not attached to the preparation of projects. The same applies to the slow progress on Basic Development programme. Considerable attention will be required to improve implementation in these areas during the balance of the Plan period. In fact, there is evidence in the Annual Development Programme of the third year of the realisation that the objectives of the revised priorities and rephasing of financial allocations justify and demand a return to urgency in the fields of Basic Development and low income housing. Many new schemes in these sub-sectors and in community services and utilities are included in this year's programme. A detailed picture in respect of physical targets and achievements is given in Table 14.1 (Statistical Appendix). A fuller analysis of the up-to-date performance and the resultant situation in various sub-sectors is detailed below.

Basic Development

14.4 No new scheme for preparation of regional plan, urban development plan and outline development plan was undertaken during the period under review in either province, nor was any work initiated on the preparation of Physical Planning and Housing legislation. In West Pakistan, only three ongoing schemes of urban development plans were completed. The only notable advance was in the direction of creating Department of Physical Planning in the province. A Physical Planning Cell was created in the Communications and Works Department of Government of West Pakistan. This cell will co-ordinate the functions of the Regional Directorate of Town Planning and other Departments connected with Urban Development. It is now engaged on the preparation of new schemes of Basic Development included in the Third Plan. In East Pakistan, the Urban Development Directorate was established as a counterpart organization for UN Special Fund Project of "Location and Planning of New Cities in East Pakistan". The work of the Urban Development Directorate has so far been mainly confined to arranging appropriate office space, organization of the Directorate and formulation of procedure for collecting data, preparation of legislation etc. During the year 1967/68, this Directorate will carry out surveys and research studies in connection with preparation of an Outline Regional Development Plan for the whole of East Pakistan.

14.5 It is hoped that the Research Centres at Dacca and Lahore will be fully established by the end of the Third Plan period. In West Pakistan during 1967/68, schemes for preparation of regional plan for Peshawar Valley and Multan and Rawalpindi Master Plans have been initiated and a request for assistance under UN Special Fund for the preparation of Karachi Metropolitan Development

Plan has been submitted. In East Pakistan during 1967/68, the plan of operation of UN Special Fund project of location and planning of new cities has been finalized and a Project Manager has been appointed. During the remaining Plan period work on these projects should proceed in full swing. In the Centre, a survey on investmentin private housing construction was initiated and preliminary work on the preparation of a questionnaire was completed by the Central Statistical Office. The actual field work will be started during 1967/68 and is expected to be completed by the end of the Plan period. The preparation of schemes for the National Building Research Centre and the Regional Planning and Development Centre has also been initiated during 1967/68. It is hoped that the work of establishing these two centres will be taken up in 1968/69.

Housing

(*i*) *Slum Clearance and Low Income Housing*

14.6 Performance in this sub-sector has not been satisfactory. During the first two years no new scheme was undertaken and only ongoing schemes of the Second Plan were continued. Only 9,500 dwelling units/plots were completed (6,000 in East Pakistan and 3,500 in West Pakistan). The programme for the year 1967/68 envisages the construction of about 6,000 dwelling units/plots in East and West Pakistan for low income families and it is estimated that about 30,000 dwelling units/plots will be constructed during the remaining Third Plan period. Thus in all 45,500 dwelling units/plots are expected to be constructed against the target of 130,000 plots for the Plan period. The main reasons for poor performance in slum clearance and low income housing are lack of proper organization, high cost of construction and difficulties in acquisition of land. Unless special steps are now taken to establish a proper organization for Housing in both the provinces, it is feared that the physical targets envisaged for the Third Plan will not be achieved. In the meantime, the problem of housing for low income families is becoming extremely serious. In order to solve the problem of low income housing, it is necessary to build adequate institutional framework for organizing this effort as the existing machinery is not fully geared to the handling of this large assignment. Poor performance in this sub-sector will adversely affect the overall achievements in the Physical Planning and Housing Sector of the Third Plan.

(*ii*) *Public Servants Housing*

14.7 Due to scarcity of resources, the Plan provided only for meeting the essential needs of low income public servants housing and as such no targets were fixed for this sub-sector. A number of schemes for constructing Government Servants Housing were completed; about 3,000 houses were constructed for Government servants in both the provinces. A number of schemes for construction of Circuit Houses/Rest Houses in various Divisional and District Headquarters of both the provinces were also taken up.

Community Services and Utilities

(i) *Urban Water supply, Sewerage and Drainage*

14.8 Slow progress marks implementation in this field in both provinces. In East Pakistan, no progress was made on any scheme of urban water supply, sewerage or drainage in the first year. Work on the preparation of feasibility studies for water supply in 31 Municipal Towns in East Pakistan was, however, continued. During the year 1966/67, two new schemes of water supply and sewerage were taken up and work on six on-going schemes was continued. Sixteen miles of pipelines were laid and work on the construction of eight RCC overhead tanks and installation of five tubewells and pump houses was continued. During the year 1967/68, further progress will be made on these eight schemes and in the remaining two years of the Third Plan it is expected to undertake the execution of ten new major projects of urban water supply and sewerage. In addition to the above mentioned schemes, the Dacca WASA and Chittagong WASA revised their schemes of water supply and sewerage for Dacca and Chittagong. Due to revision of these schemes, during the period under review, no substantial progress could be made on their implementation. The revised schemes have since been approved by the Government and the actual execution will be taken up during 1967/68. It is hoped that during the remaining Plan period substantial progress will be achieved on the Dacca water supply and sewerage project and the Chittagong water supply project.

14.9 In West Pakistan, nine urban water supply schemes were completed during the period under review. In addition to this, water supply schemes for Gujranwala, Nawabshah, Multan, Sheikhupura and Hyderabad were prepared and Master Planning of 23 projects of water supply, drainage and sewerage was taken up. A note worthy achievement in West Pakistan during the period under review was the establishment of a Central Public Health Laboratory at Lahore which is fully equipped to carry out all tests connected with Public Health Engineering. During the remaining Plan period it is estimated that 21 more schemes of water supply, sewerage and drainage will be completed in West Pakistan. Detailed schemes of 23 important towns, which are under preparation, will also be completed. As the Central Laboratory at Lahore which has recently been established is not in a position to cope with the growing needs of tests in Public Health Engineering, efforts will be made to establish one more regional laboratory at Hyderabad during the remaining Plan period. Efforts will also be made to train all level of professional people in the field of Public Health Engineering. The Lahore Improvement Trust is expected to start the execution of a comprehensive water supply, sewerage and drainage scheme for Lahore during 1967/68. KDA has also started the execution of part one of the second phase of the Karachi Bulk Water supply Scheme in order to augment the present water supply by 25 M.G.D.

14.10 The rate of progress in the field of water supply, sewerage and drainage in both the provinces has been substantially accelerated during the year 1967/68. It is expected that during the remaining period of the Plan, substantial progress will be achieved and the targets envisaged in the Third Plan will be accomplished.

(*ii*) *Rural Water Supply and Sanitation*

14.11 In East Pakistan, a scheme for sinking/re-sinking of tubewells/handpumps for supplying drinking water to the rural areas is under execution. During 1965/66, 600 tubewells/handpumps were sunk and in 1966/67, 2,000 new tubewells/handpumps were sunk and 1,200 choked up tubewells were re-sunk. During the year 1967/68, it is estimated that 5,200 tubewells/handpumps will be sunk and re-sunk and in the remaining Plan period, 52,000 tubewells/handpumps will be sunk. On the whole, only about 35per cent of the physical targets will be achieved. The reason for the shortfall is rise in the cost of installation of tubewells/handpupms as well as lower financial allocation made in the Annual Development Programmes. The Government of East Pakistan has also an on-going scheme of village sanitation. Under this scheme, 20,000 water sealed slabs for latrines were produced for supply to the villages for installation on a self-help basis under the supervision of the Public Health Engineering Department. The work on this scheme will be continued during the remaining Plan period and it is estimated that about 70,000 more water sealed slabs will be supplied to the villagers.

14.12 In West Pakistan, 158 rural water supply schemes were completed during the first two years of the Third Plan. It is expected that about 80 rural water supply schemes will be completed during the year 1967/68 and 150 schemes during the remaining Plan period.

Government Offices and Buildings

14.13 Modest provision was made in the Third Plan to meet the most essential and urgent needs of Government offices and buildings. The progress on this sub-sector has been quite satisfactory. A number of schemes were completed during the first two years of the Third Plan under the programmes of the Central nnd Provincial Governments. Some of the important Government offices and buildings constructed by East Pakistan, during the period under review, were the nine-storey building in the Provincial Secretariat, Dacca. the new District Headquarters at Tangail and extension of Hotel Shah Bag at Dacca. In West Pakistan, Government Offices for various departments were constructed at Peshawar, Hyderabad, Bahawalpur, Lahore and Quetta. In the Centre, the work on the construction of Income-Tax Department Buildings at Karachi made substantial progress. During the year 1967/68, it is expected that the work on the construction of the High Court Building at Dacca would be completed and the work on the construction of District and Sub-Divisional Headquarters at various places will be continued. In West Pakistan, work on a number of office buildings pertaining to Police, Judiciary and other Departments will be

continued. Under the Central Programme, work on the construction of Central Government Office Buildings at Chittagong and Lahore will be initiated and the execution of a number of ongoing small schemes will be continued. During the remaining Plan period work on the construction of the Central Government building at Khulna will be taken up and a number of office buildings under execution in the country will be completed. The financial and physical targets envisaged for this sub-sector in the Third Plan are expected to be accomplished.

Aid to Local Bodies

14.14 The Plan provides for financial assistance to local bodies in such programmes as cannot be dealt with on a commercial basis. These are the schemes and projects catering to the needs of lower income groups, slum-dwellers as well as special transport and recreational facilities. The five improvement trusts/development authorities, namely, Lahore and Dacca Improvement Trusts and Karachi, Chittagong and Khulna Development Authorities could not make much headway during the first two years of the Plan. However, the performance was not too discouraging. The Dacca Improvement Trust had five major schemes in hand during the period under review which mostly related to preparatory work for development of areas for residential purposes and related facilities. In the year 1967/68, the work on these five schemes will show substantial progress and it is expected that an area of about 700 acres of land will be developed which will provide plots to 5,000 low and middle income families. The Chittagong and Khulna Development Authorities also executed a few schemes relating to development of residential areas, construction of markets, improvement of roads, office buildings, staff quarters etc. The Lahore Improvement Trust prepared three major housing schemes of which the work on the University area (Garden Town) scheme was under execution. This scheme is being financed by the Lahore Improvement Trust from its own resources. One of the most active agencies amongst the Improvement Trusts and Development Authorities in Pakistan is the Karachi Development Authority. It initiated two new housing schemes, namely, Gulshan and Clifton from its own resources. Besides development of plots, the KDA undertook the restoration of the existing sewerage system in the high density part of Karachi. However, the overall performance of all the Improvement Trusts and Development Authorities was not in line with Plan targets. The performance of the Improvement Trusts/Development Authorities, therefore, needs to be reviewed keeping in view the fact that the area of local government in Pakistan is still in a developmental stage and functions and responsibilities of agencies are limited by their charters. The insistance of the Government that they should be self-financing, limits their capacity to cater for the needs of the urban communities in a comprehensive manner.

14.15 During the year 1967/68, the Lahore Improvement Trust, Karachi Development Authority and Dacca Improvement Trust have initiated three major schemes of development of land for middle and low income families. The names

of these schemes are Katcha Multan Road Scheme at Lahore, Orangi Township Scheme at Karachi and Satellite Town scheme at Dacca. It is hoped that during the remaining Plan period the work on these schemes will be executed in full swing and about 20,000 residential plots will be developed. These efforts on the part of local bodies will go a long way in easing the acute housing situation prevailing in the three most important metropolitan centres of Pakistan.

Special Areas

14.16 The modest Third Plan programme for special areas recorded satisfactory implementation. About 40 minor schemes were under execution comprising construction of Government servants quarters, office buildings and barracks and provision of water supply, etc. Of these, 12 schemes were completed. Some of the schemes completed are: construction of a Stadium, three small water supply schemes, construction of Council Hall, Tehsil Building and Rest Houses etc. There are 40 minor schemes under execution during the year 1967/68 out of which some of the important schemes are two water supply schemes, preparation of Master Plan and the construction of Government Servants Houses. It is estimated that the modest programme envisaged for this sub-sector will be accomplished during the remaining period of the Plan.

New Capital

14.17 During the period under review, work on both the Capitals progressed satisfactorily. At Islamabad, 2,800 acres of land were acquired during the period under review bringing the total area so far acquired to 41,600 acres. Construction and furnishing of Secretariat Buildings, (Phase I) was completed and ten divisions of the Central Government weres hifted to these new Secretariat Buildings. Twenty-three per cent work on construction of Secretariat Buildings (Phase II) was also completed during the period under review bringing the total progress of work to 93 per cent. In the field of public servants housing, about 1,100 houses of various categories were completed while construction of nearly 1,350 houses will be undertaken during the year 1967/68 and completed during the remaining Plan period. Construction of Government Hostel (both Phase I and II) was completed. Work relating to construction of highways and roads, water supply, sewerage and drainage, and the development of the administrative sector and landscaping continued satis- factorily. The other important works in hand are the designing of the President's House, National Assembly Building, and Plan House which are expected to be finalized during the year 1967/68. Moreover, the Secretariat Building (Phase II) will be completed in all respects during 1967/68. The work on the President's House, D.I.B. Building and Plan House is expected to be started during 1967/68 and substantial progress is expected to be achieved during the remaining period of the Third Plan.

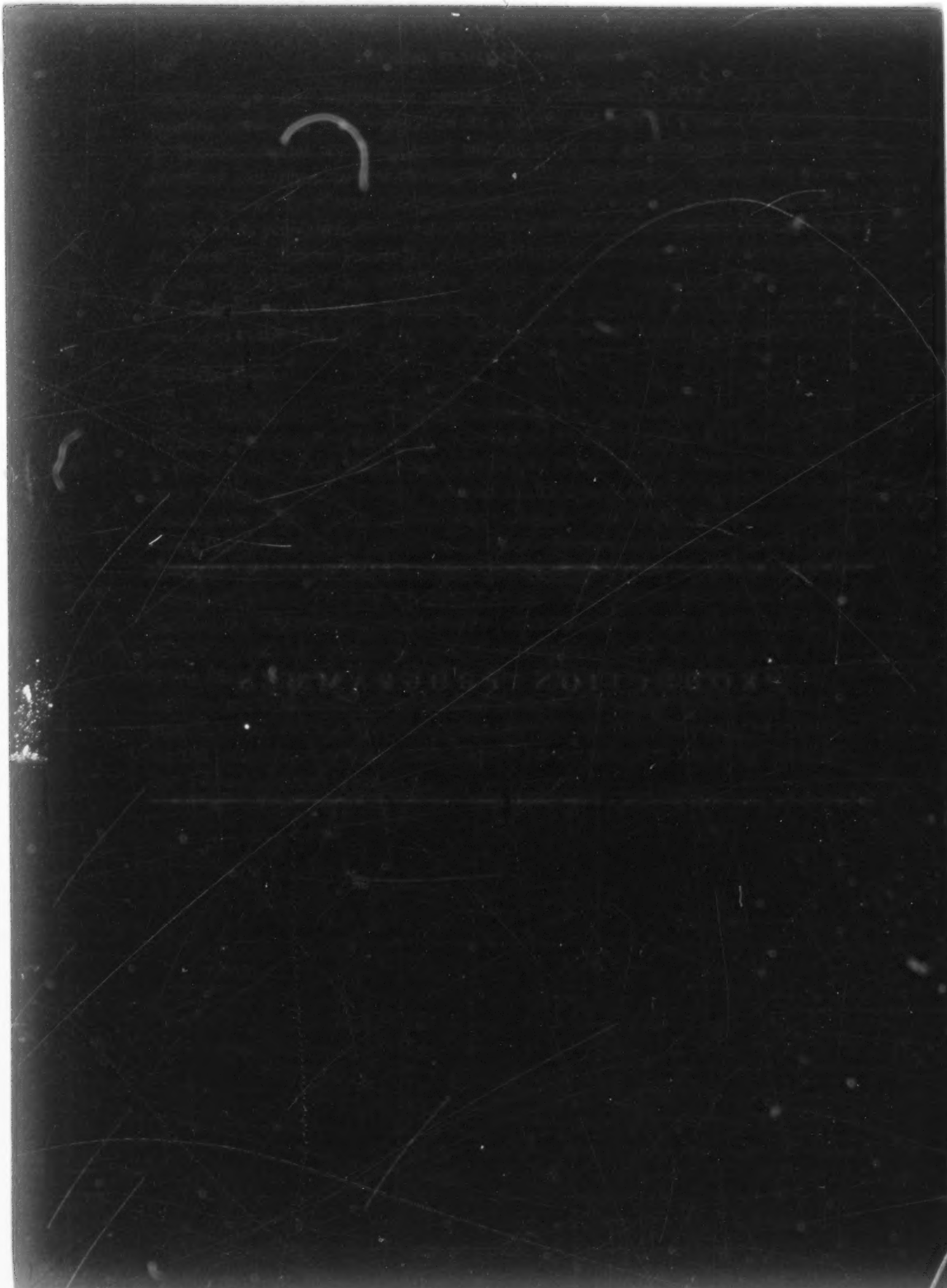
14.18 Ayub Nagar (the Second Capital at Dacca) also made impressive progress during the period under review. The work on the development of land, construction of the National Assembly Building, M.N.As'. Hostel and Hostel

for Ministers and Secretaries progressed satisfactorily. The work of constructing residential accommodation for officers and staff of Central Government at Second Capital was completed and the work on construction of Hostel for Gazetted and non-Gazetted officers was nearing completion. During the period under review, the Central Government staff of National Assembly Secretariat shifted to its permanent headquarters at Ayub Nagar. It is expected that M.N.As, Ministers and Secretaries Hostel will be completed during the remaining period of the Third Plan. On the whole, the progress of construction work on both the Capitals is extremely satisfactory and it is expected that the programme envisaged in the Third Plan for these two Capitals would be fully accomplished.

Financial Outlay

14.19 The original Third Plan allocation of Rs. 3,025 million for the Physical Planning and Housing Sector was reduced by 18.2 per cent to Rs. 2,477 million. In the first year of the Third Plan (1965/66), an allocation of Rs. 468.69 million was made which was subsequently reduced to Rs. 276.93 million against which an expenditure of Rs. 277.29 million was incurred. During the second year of the Third Plan (1966/67), an allocation of Rs. 334.50 million was made against which an expenditure of Rs. 346.53 million was incurred. Thus, the total cost of development in the Physical Planning and Housing Sector, during the first two years of the Third Plan, amounted to Rs. 623.82 million. A balance of Rs. 1,853.18 million is available to meet the cost of development in the remaining three years of the Plan. For the third year of the Plan (1967/68), an allocation of Rs. 474.46 million has been made. The detailed picture of financial targets and achievements, during the first two years, allocation for the third year and requirements for the remaining two years of the Third Plan are given in Tables 14.2, 14.3, 14.4 and 14.5 (Statistical Appendix).

PRODUCTION PROGRAMMES



Chapter 15

AGRICULTURE

Introduction

15.1 Agriculture is the largest segment of Pakistan's economy. Its contribution to the Gross National Product in 1949/50 was 60 per cent. Rapid industrialisation during the Second Plan reduced this to 46 per cent in 1965/66. But agriculture is still the principal source of national income, employment and raw-materials for domestic use and export.

15.2 One of the major achievements of the Second Plan was to break the age old stagnation in agriculture by generating a growth rate of 3.4 per cent per annum as compared to 1.3 per cent per annum. Thus, for the first time, the agricultural growth rate started outstripping the growth in populaton. The basic cause was the institutional changes and the increased use of key inputs of production—irrigation water, fertilizer, plant protection and improved seeds.

Third Plan Objectives and Targets

15.3 Basing on the successful experience of the Second Plan, the Third Plan aimed at achieving an annual growth rate of 5 per cent with larger programme of improved inputs. Among its specific objectives were, an increase in the real income of farmers at least at the same rate as *per capita* increase in the non-agriculture sector and a move towards self-sufficiency in food requirements. This latter objective was brought into sharp focus by the events of the first year of the Plan. Slowing down of the inflow of foreign assistance, involvement in a war, severe drought in West Pakistan and tidal waves and floods in East Pakistan, at a time when the revised terms of the P.L. 480 Programme had already made food imports less attractive, resulted in the necessity of diverting scarce foreign exchange resources to the purchase of foodgrains. The persistence of adverse weather conditions throughout the second year led to a significant change in the priorities of the Plan which had already been revised in the first year. The attainment of self-sufficiency in food by the end of the Plan period was accorded top priority and sectoral allocations were altered to strengthen all programmes having a bearing on food grains production. Necessary administrative arrangements were taken in hand by the Central and Provincial Governments and policies were worked out for a vigorous pursuit of the new objective. Briefly these policies are described below:

15.4 Co-operatives will be encouraged, but the main reliance for agricultural development will continue to be placed on the initiative of individual farmers. The use of all inputs of production will be encouraged by their increased provision and incentives for their use through subsidies or fixing of floor prices and expansion

of buffer stock operation, but the highest priority will be given to increased supplies of water and fertilizer which yield the largest and quickest returns. An element of competition will be introduced to ensure efficient distribution of fertilizer by entrusting this work to three agencies, the Agricultural Development Corporation, the co-operatives and private trade. The extension services, freed of responsibility for the distribution of farm supplies will concentrate on the improvement of farm practices and management. More storage and better marketing facilities, price stabilisation measures, education in better cropping patterns, etc., will be part of a comprehensive effort to strengthen agricultural organisations and programmes. The relevance and the urgency of these policies derive directly from the short-falls in the first two years of the Plan.

Third Plan Implementation during 1965-67

15.5 In the first year of the Third Plan, production of foodgrains declined to 16.8 million tons from a level of 17.6 million tons in the last year of the Second Plan—a fall of 5 per cent (see Table 15.1 Statistical Appendix). The entire decline was in West Pakistan where prolonged drought was experienced in most areas and where canal discharges were low because of scanty rain fall recived during the previous monsoon season which affected the sowings of wheat and barley. The acre yields were also adversely affected by sparce rainfall received during the period of crop growth. In East Pakistan, recurrent cyclones, tidal waves and floods kept the production of rice and other foodgrains at the level of the previous year.

15.6 Except for tea which showed a decline of 5 per cent, the production of commercial crops went up compared to the level of the previous year—jute by 19 per cent, sugarcane by 20 per cent, cotton by 10 per cent and tobacco by 25 per cent (Table 15.1 Statistical Appendix).

15.7 Production of foodgrains during 1966/67, the second year of the Plan, also remained below the level of 1964/65. Overall decline in food grain production was 7 per cent; decline in rice production in East Pakistan was 9 per cent and in wheat production in West Pakistan was 6 per cent. The decrease in rice production in East Pakistan was due to damages to aman crop caused by floods, cyclones and tidal bores. Wheat production in West Pakistan in 1966/67 was 11 per cent higher than in the previous year. The increase was accounted for by improvement in acre yields as well as increase in the area sown 511,000 additional acres or 4 per cent more. Oil seeds, sugarcane, cotton, jute and tobacco showed percentage production increases over the 1964/65 level of 15, 21, 20, 20 and 62 respectively.

15.8 It was during the second year of the Plan that work on the revised target of food self-sufficiency was started. What follows is a sub-sector-wise description of the arrangements made, the policies adopted and the results achieved so far.

Floor prices of Agricultural Commodities

15.9 In order to provide incentives to farmers, floor/procurement prices of various commodities have been fixed as follows:

West Pakistan (floor prices):

Wheat	.. .. ..	Rs. 17.00 per maund
Maize ..	.. .. ..	Rs. 14.50 ,,

East Pakistan (Procurement prices):

Paddy ..	.. .. ..	Rs. 16.00 per maund	Hinterland
Rice (Coarse)	.. ..	Rs. 26.28 ,,	Hinterland

15.10 The following targets for production of principal crops have been set for 1967/68:

East Pakistan:

Rice ..	.. .. ..	11.30 million tons.
Other foodgrains ..	.. ..	0.14 ,, ,,
Jute ..	.. .. ..	7.50 ,, bales.

West Pakistan:

Wheat	.. .. ..	5.4 million tons.
Maize	.. .. ..	0.7 ,, ,,
Rice ..	.. .. ..	1.4 ,, ,,
Cotton	.. .. ..	2.8 ,, bales.

Fertilizer

15.11 The upward trend in the use of fertilizer registered during Second Plan period was maintained except that there was a slight setback during 1965/66, as shown below:—

Year	Quantity distributed			Percentage increase over 1964/65
	East Pakistan	West Pakistan	Total	
	—thousand nutrient tons—			
1964/65 ..	45	87	132	
1965/66 ..	54	71	125	(—) 5
1966/67 ..	76	116	192	(+)45
1967/68* ..	125	260	385	(+)192

*Planned distribution.

15.12 Consumption of fertilizer increased by about 45 per cent in 1966/67 over the 1964/65 level. The actual distribution of 192,000 nutrient tons during 1966/67 was, however, 27 per cent less than the distribution targets of 264,000 nutrient tons. (In East Pakistan, use of fertilizer during 1966/67 was 76,000 nutrient tons against the target of 73,000 nutrient tons while in West Pakistan 116,000 nutrient tons were used against the target of 192,000 nutrient tons). The consumption of fertilizer during 1965/66 was below the level of 1964/65 mainly due to the fact that the required quantities of fertilizers could not be imported to meet the demand (especially in West Pakistan) on account of inadequate availability of foreign exchange and disturbed conditions in the country because of the armed conflict with India. Similarly, the shortfall in the consumption of fertilizer during the year 1966/67 is mainly attributable to the fact that the machinery responsible for distribution could not be streamlined in West Pakistan to the extent necessary for coping with the increased demand.

15.13 It may be mentioned that the target of distribution of fertilizer as fixed in the ADP for 1967/68 is 385,000 nutrient tons against the target of 634,000 nutrient tons envisaged for the final year (1969/70) of the Third Plan.

Plant Protection

15.14 The area covered by plant protection measures (both curative and preventive) is given below:

	1964/65	1965/66	1966/67	1967/68*
	—Million acres—			
Curative measures:				
East Pakistan	3.24	2.82	3.89	5.20
West Pakistan	3.23	2.56	2.30	5.00
Total ..	6.47	5.38	6.19	10.20
Preventive measures:				
East Pakistan	0.33	1.09	0.77	6.09
West Pakistan	2.10	1.67	0.43	6.00
Total ..	2.43	2.76	1.20	12.09

*Planned coverage.

15.15 During 1966/67, an area of 6.19 million acres was covered by curative measures (consisting of ground and aerial spraying) against the target of 8.40 million acres, resulting in a shortfall of 26 per cent. This shortfall, mainly in West Pakistan, was the result of the decision of the Provincial Government to recover 25 per cent cost of the plant protection operations from the farmers which necessitated some re-organisation and streamlining of the system. Prior to 1966/67, plant

protection operations were free of charge to the farmers except some nominal charges from tea and sugarcane estates.

15.16 Preventive measures consisting largely of seed treatment against soil and seed borne diseases covered an area of 1.20 million acres during 1966/67 against the target of 10.50 million acres. This performance is lower than that of 1964/65 and 1965/66, and is a disturbing feature of the plant protection operations. The implementing agencies (Provincial Governments) probably did not accord sufficient priority to this work.

Improved Seed

15.17 The total quantity of seed of major crops distributed during the period 1964/65 to 1966/67 is given below:

Year	East Pakistan	West Pakistan	Total
1964/65	9	31	40
1965/66	8	56	64
1966/67	6	38	44
1967/68 (a)	12	128(b)	140

15.18 Compared to 1964/65, distribution of improved seed increased by 60 per cent and 10 per cent during 1965/66 and 1966/67 respectively. The quantity of improved seeds distributed during 1966/67 includes about 690 tons of IRRI rice varieties in East Pakistan and about 2,150 tons of Mexican wheat varieties in West Pakistan. The programme for 1967/68 is to distribute 140,000 tons of improved seed inclusive of seeds of Mexican wheat (40,000 tons) and IRRI rice (2,900 tons). In addition, seed produced by private farmers will also be available for achieving the target area of 2.00 million acres under Mexican wheat in West Pakistan and 0.30 million acres under IRRI rice in East Pakistan.

Mechanisation

15.19 The number of power pumps hired out by East Pakistan Agricultural Development Corporation during the year 1966/67 was 3,990 as against 2,238 in the year 1964/65. The area irrigated through these pumps during 1966/67 was 225,000 acres as against 131,000 acres in the year 1964/65. Besides, 3,000 more pumps were purchased during the year 1966/67. With the addition of these power pumps, it is contemplated that East Pakistan Agricultural Development Corporation will hire out over 6,000 power pumps during

(a) Planned distribution.
(b) Including 59,000 tons of Mexican wheat seed.

1967/68 for irrigating an area of about 400,000 acres. Another 3,000 power pumps are proposed to be purchased by the Corporation during 1967/68, which will be put to use in the following year. In addition, 93 tractors were used by the East Pakistan Agricultural Development Corporation to reclaim 14,000 acres during 1966/67. It is envisaged to cover an area of 30,000 acres during 1967/68.

15.20 Trials of four different types of power tillers being conducted by Agricultural Development Corporation in East Pakistan since 1965/66 were completed during the year 1966/67. Their report on the performance of different makes of power tillers is under preparation. Based on the results of these trials, a programme for distribution of power tillers amongst the farmers will be taken up during 1967/68.

15.21 In West Pakistan, 760 bulldozers and 85 wheel type tractors were procured during the first two years of the Third Plan for the Agriculture Department for work in the settled districts. It is estimated that about 175,000 acres were developed during 1965/66 and 1966/67 with the help of over 200 bulldozers which were put to use. It is further envisaged to develop about 200,000 acres during 1967/68 with the heavy earth-moving machinery available for the purpose.

15.22 About 60,000 acres were covered in West Pakistan by the use of wheel type tractors during 1966/67 against 35,000 acres covered during 1964/65.

15.23 In addition, about 5,000 tube-wells were drilled for the farmers by Agriculture Department during the first two years of the Third Plan. The target for the year 1967/68 is to instal 3,500 tubewells by putting the entire machinery available for the purpose to full use.

15.24 A total number of 635 improved implements mainly consisting of improved ploughs, *triphali* and single-row cotton drills, were distributed in West Pakistan at subsidized rates during the first two years of the Third Plan.

15.25 In order to meet the shortage of spare parts of tractors and tractor-driven implements, not normally imported by the private sector, these will be imported by the Government during 1967/68 for supply to private tractor owners.

Soil Surveys

15.26 Under the scheme entitled "Soil Survey Project of Pakistan" which aims at conducting systematic and basic soil survey for general purpose, an area of 5.25 million acres and 6.88 million acres was mapped during 1966/67 in East Pakistan and West Pakistan respectively. This brings the total area so far mapped to 18.18 million acres in East Pakistan and 32.32 million acres in West Pakistan. In addition, survey reports of 12 sub-divisions in East Pakistan and of Peshawar Vale and Gujrat district in West Pakistan have been completed. The programme

for 1967/68 is to survey an area of 8.96 million acres in East Pakistan and 31.72 million acres in West Pakistan.

15.27 Under the scheme "Rapid Soil Fertility Survey", about 6,399 fertilizer trials on various crops were conducted during 1966/67, out of which 3,619 were in East Pakistan and 2,780 in West Pakistan.

Agricultural Education

15.28 Educational facilities at the Agricultural Universities at Mymensingh and Lyallpur and at Agricultural College, Tandojam, were expanded during 1965-66 and 1966/67. In East Pakistan, the two-year training course of Union Agricultural Assistants was continued at the five Agricultural Extension Training Institutes located at Tejgaon, Natore, Gouripur, Daulatpur and Gaibandah and at two Agricultural Schools at Tajhat and Sherpur. Extension staff of the East Pakistan Agriculture Department and East Pakistan Agricultural Development Corporation and farmers' sons were trained in handling and repair of power tillers, power pumps and plant protection equipment at the Farm Mechanization Training Institute, Tejgaon. Shifting of the Agricultural Research Institute, Agriculture Extension Training Institute, Farm Mechanization Training Institute, Agricultural College and Soil Fertility Survey and Soil Testing Institute from Tejgaon to Joydevpur could not be undertaken because of difficulties in taking physical possession of land for the purpose.

15.29 In West Pakistan, training of Field Assistants was carried out at the Field Assistants Training Institutes at Peshawar, Sargodah, Rahimyar Khan, Sakrand and Quetta and the duration of training course was increased from one to two years with a view to improving the quality of training. Scholarships were awarded to students from various areas of West Pakistan including those from Frontier Regions and Northern Areas for studies at the Agriculture Training Institutes of West Pakistan.

15.30 The programme for 1967/68 for East Pakistan envisages taking possession of the entire area of 650 acres at Joydevpur to start construction work for shifting the existing Agricultural Research Institute and other Institutes from Tejgaon to the new site. Additional facilities will also be provided at the Agricultural Universities, Mymensingh and Lyallpur and Agricultural College at Peshawar and Tandojam. A short course in food technology will be started at the Agricultural Research Institute, Peshawar. Scholarships will be awarded to students from variousat areas of West Pakistan including those from Frontier Regions and Special and Northern Areas for studies at the Agriculture Training Institutes of West Pakistan.

Agricultural Extension

15.31 The Provincial Agricultural Information Services were strengthened in both the provinces and their programmes of audio-visual aids were expanded during 1965/66 and 1966/67. In East Pakistan, a large number of demonstration

farms and plots were set up and cultivation of cocoanut, betelnut, groundnut and lac was encouraged. Preliminary work was started for the establishment of an Agricultural Development Estate near Dacca for augmenting supplies of fruits, vegetables and poultry to the city. In West Pakistan, 300 field assistants were appointed in urban Union Committees while holding of agricultural shows and melas was continued. A survey was carried out for the establishment of an Agricultural Development Estate around Islamabad/Rawalpindi and necessary scheme for the purpose have been formulated by the West Pakistan Agricultural Development Corporation. Agricultural extension activities were also carried out in Special and Northern Areas.

15.32 The projected programme for East Pakistan for 1967/68 envisages development and extension of cultivation of *desi* as well as long staple cotton, sugarcane, and wheat; strengthening of agricultural extension organization at various levels; training of farmers; and establishment of demonstration blocks at union, thana, sub-division, and district level. Work regarding development of agricultural Estate near Dacca will continue while preliminary work will be taken in hand for establishment of similar Estates near Khulna and Chittagong. Similarly, in West Pakistan, work on Agricultural Development Estates near Lahore, Islamabad/Rawalpindi will be intensified and survey will be carried out for establishment of similar Estates around Hyderabad and Karachi. Agricultural staff will be appointed in the newly created district of Kachhi in Kalat Division and agriculture service centres will be set up at union councils. A new programme for training of farmers in improved agricultural practices will be launched in six selected districts of West Pakistan and a fruit preservation demonstration service will be started at Lahore.

Research on Crop Production

15.33 The main emphasis of research was on introducing and evolving new varieties of crops for cultivation under different climatic and soil conditions with a view to increase farmers' income and farm production.

15.34 In West Pakistan, dwarf wheat varieties imported from Mexico were tried on the fields of selected farmers. It was found that the new varieties responded to large doses of fertilizer application and gave high yields under conditions where controlled irrigation was applied in quantities at least 25—50 per cent larger than that needed by the local varieties. Several varieties are now being selected for different types of soils, and time of sowing under irrigated and *barani* conditions. However, two varieties viz., Mexi-Pak-65 and Indus 66, offer scope for large scale cultivation because of their good *chapati* making quality, coupled with amber colour of grain, which characteristics are not possessed by other imported Mexican varieties.

15.35 A new Fodder, Napier grass × Bajra hybrid No. 13 yielding on an average, about 1,500 maunds of fodder per acre was developed at Ayub Agricultural Re-

search Institute, Lyallpur, and was approved by the Agriculture Department for cultivation by farmers. Experiments were successfully carried out on soyabean cultivation in Hyderabad Region and steps are being taken to popularise two varieties, namely, K-30 and SBL amongst the farmers for increasing the production of oilseeds. As a step forward, high yielding hybrid and synthetic varieties of maize have been evolved and are being multiplied on a large scale. Unlike the hybrid maize varieties, the farmers can produce the seed of synthetic varieties themselves at least for some years before the seed deteriorates genetically. Two varieties namely, J-1 and S-200, were successfully grown during spring season.

15.36 Rice varieties imported from Philippines were tried for the first time in West Pakistan during 1966/67. Further research work is being carried out to evolve varieties suitable for cultivation under local conditions.

15.37 Two new cotton varieties, namely, MS-39 and MS-40, gave higher yields than the standard variety, AC 134, in large scale trials in Muzaffargarh district. Preliminary tests on cotton cultivation in D.I. Khan revealed suitability of the area for upland cotton cultivation.

15.38 During the year 1965/66, over 300 rice varieties were imported into East Pakistan from International Rice Research Institute, Philippines and were tried for selecting suitable varieties for cultivation in different crop seasons and different localities. Research work was carried out to select suitable varieties for the three rice-growing seasons, though best results were obtained in Boro and Aman seasons. The new varieties have a longer growing season, are liable to higher breakage and susceptible to more insect attack than the local varieties. Further research is, therefore, being undertaken to evolve varieties for large scale cultivation.

15.39 Zonal trials of sugarcane conducted during the period indicated that at least two high yielding varieties could be released to replace the existing varieties in East Pakistan.

15.40 About half a dozen high yielding varieties of jute have been evolved and work is in progress by the Pakistan Central Jute Committee on the evolution of varieties resistant to pests and diseases.

15.41 Experimental work was continued at the Agricultural Research Institutes in East and West Pakistan and at the sub-stations for the evolution of superior varieties of crops which are high yielding, and disease and pest resistant. Facilities for research work at these institutes and sub-stations were strengthened for the purpose.

Agricultural Economics and Statistics

15.42 In East Pakistan, during 196/566 and 1966/67, work on yield estimation through random sampling technique was continued on *aus*[1] and *aman*[2] rice and

[1] Rice crop sown in Spring in East Pakistan.

[2] Rice crop sown in Summer in East Pakistan.

jute crops; report on annual agricultural statistics for 1961/62 was prepared and published while that for 1962/63 was compiled; statistics regarding district-wise *per capita* production of cereals, pulses, edible oilseeds, fruits, potato and sugarcane for the year 1947/48 through 1966/67 were prepared. During the same period in West Pakistan, crop cutting experiments through random sampling technique were carried out on wheat, rice, maize, sugarcane and cotton.

15.43 The Department of Marketing Intelligence and Agricultural Statistics of the Central Government prepared a report on "Requirements of Cold Storage in Pakistan" while another report on "Farm Power, machinery and equipment in Pakistan" was finalised. Report on Farm Management Survey of Sundarban Project Area (District Dinajpur) was published and reports on Khulna (East Pakistan) and Kohat (West Pakistan) Project Area, based on data for 1961/62 and 1961/63 were completed. A bulletin entitled "Production, consumption and sale of milk, ghee and other products in various farm management project areas" was prepared at the request of National Income Commission.

15.44 The Agricultural Census Organisation prepared drafts of two Analytical Reports (one for East Pakistan and the other for West Pakistan) based on Agricultural Census data of 1960, and finalised their administrative reports. A census of urban area adjacent to Lahore city was carried out.

15.45 The programme for 1967/68 envisages intensification of work on yield estimation through random sampling technique both in East and West Pakistan through the appointment of additional staff at various levels. The Agricultural Census Organisation of the Central Government will start preparatory work pertaining to the holding of Second Census of Agriculture in 1970. The Department of Marketing Intelligence and Agricultural Statistics of the Central Government is expected to finalise reports on "Evaluation of the quantitative use of fertilizers and manures on the major crops in Pakistan at the end of Second Plan"; "Enquiry into the living and working condition of agricultural labour in Pakistan"; farm management studies for Muzaffargarh and Hyderabad project areas based on data for 1961/62 and 1962/63; and similar study for Dinajpur project area based on data for 1962/63.

Agricultural Marketing

15.46 During 1965/66 and 1966/67, in East Pakistan, the number of demonstration parties for the hides and skins improvement programme was increased from 8 to 17, while in case of wool improvement programme the number was increased from 2 to 6. A report on the "Survey of storage facilities for farm products" was prepared. Thirty nine important markets were brought under the purview of the East Pakistan Agricultural Produce Markets Regulation Act, 1964. About 12.5 million eggs were graded at six stations for internal consumption as well as for shipment to West Pakistan.

15.47 In West Pakistan, a survey on cotton (Multan Division) was concluded in addition to those carried out on turmeric, ginger, tobacco, flax fibre and onion

for assessing possibilities of their export. Surv ys were also undertaken for assessing the extent of waste land in West Pakistan. No progress could be made in the grading of agricultural commodities for internal consumption because the required buildings for the purpose could not be constructed.

15.48 The Department of Marketing Intelligence and Agricultural Statistics of the Central Government graded 116,000 bales of wool, 32,000 bales of animal hair, 13,000 bales of Sann hemp, 62,000 maunds of corriander seed, and 450,000 pieces of pickled skins for export purposes. Rules for the compulsory grading of hides and skins were published in August, 1966 and voluntary grading was introduced in February, 1967. Collection of data on the production and marketing of cotton in West Pakistan was completed. Reports on marketing of guar seed, gram and other pulses, and oil seeds and oilcakes in Pakistan, and on survey of the existing tractors in West Pakistan were also prepared.

15.49 During 1967/68, a research section will be created in the Directorate of Agricultural Marketing, East Pakistan for carrying out studies on the marketing of agricultural commodities and animal products; a m rket for fruits, vegetables, eggs and poultry will be set up at Dacca; a licensed ware-house will be set up at Narsingdhi Market as a pilot project, and reports on groundnut, potato, rice, onion and myrobolan will be completed. In West Pakistan, work pertaining to the grading of agricultural produce for internal consumption will be initiated, and a full fledged Directorate of Agricultural Marketing is expected to be set up to improve marketing conditions in the province. The Department of Marketing Intelligence and Agricultural Statistics of the Central Government will introduce compulsory grading of hides and skins before export, initiate the work pertaining to the introduction of compulsory grading of virginia tobacco before export, and will publish their report on the production and marketing of cotton in West Pakistan.

Foodgrain Storage

15.50 During the first two years of the Third Plan period, construction target for storage capacity was 307,500 tons, out of which only 113,000 ton capacity was constructed and 115,000 ton capacity remained under construction while work on 79,500 tons capacity could not be started. Agency-wise details of the programme and achievements are given below:

Agency	Target	Construction completed	Under construction	Not started
	—in tons—			
East Pakistan ..	113,000	67,000	7,000	3,000
West Pakistan ..	115,000	37,500	66,000	76,500
Central Government	79,500	8,500	42,000	—
Total ..	307,500	113,000	115,000	79,500

15.51 In East Pakistan, work on construction of five Silos of 315,716 ton capacity remained in progress. Sites for all silos except Chalna have been selected. Construction work relating to five silos will be accelerated during 1967/68 while the residual work under the other schemes will be intensified. In West Pakistan, construction of house type foodgrain storage will be continued and an additional 30,000 ton storage capacity expected to be completed during 1967/68.

15.52 Under the Central Government programme, ancilliary works and construction of quarters and roads at Landhi, Pipri and Karachi port were undertaken while construction of R.C.C. Jetty and railway sidings at Chittagong remained in progress during 1965/66 and 1966/67. About 122,000 tons of rice were cleaned/reprocessed at the Rice Cleaning and Reprocessing plants, Karachi, during the first two years of the Third Plan. During 1967/68, construction of house-type foodgrain storage godowns of 18,000 tons capacity will be completed. Rice Cleaning and Reprocessing plants will operate to full capacity and remaining ancilliary works are expected to be completed.

Fisheries

15.53 Fish production during 1965/66 and 1966/67 registered an overall upward trend despite the fact that due to national emergency, development expenditure had to be considerably curtailed during 1965/66. The overall production of fish increased by 14 per cent ov.r a period of two years (from 361,000 tons in 1964 to 412,000 tons by the end of 1966) as will appear from the details given below:

Province	Fish production during			Increase or decrease in 1966 over 1964
	1964	1965	1966	
	—000 metric tons—			—per cent—
East Pakistan	250	259	259	4
Inland ..	204	214	214	5
Marine ..	46	45	45	(—)2
West Pakistan ..	111	120	153	38
Inland ..	23	22	23	—
Marine ..	88	98	130	48
All-Pakistan ..	361	379	412	14
Inland ..	227	236	237	4
Marine ..	134	143	175	31

15.54 The increase in fish production has partly been due to encouraging response from private sector and partly due to developmental efforts in the public sector. The programme of development in the public sector is discussed below:

(i) Development and Conservation

15.55 In East Pakistan, 7 fish seed multiplication farms were set up; 125 outboard engines received from the F.A.O. were installed in fishing canoes; 50 centres were set up for induced spawning of fish and construction work for the expansion of net making factory at Comilla was started. In West Pakistan, 64 fish seed multiplication farms and 3 nursery farms were set up; large number of fry and fingerlings were salvaged and stocked in various water areas and fish culture was started in dams, reservoirs and abandoned irrigation canals. Development of fisheries in Special and Northern Areas was continued.

15.56 Programme for East Pakistan for the year 1967/68 envisages establishment of 15 fish seed multiplication farms, opening of 10 centres for induced spawning of fish and three farms for the development of Zeol fish, declaration of seven fisheries as sanctuaries, management and commercial exploitation of 3,000 acres of 'beel and baor' areas in the districts of Sylhet and Mymensingh and expansion of net making factory at Comilla. In West Pakistan, programmes for the development and exploitation of fish in lakes, dams, reservoirs and abandoned irrigation canals will be continued, fish seed farms and nurseries will be set up, and requirements of fishermen such as nylon floats and fishing hooks will be imported and supplied to them at cheaper rates.

(ii) Marketing and Storage

15.57 During the first two years of the Third Plan, work on the construction of a wholesale fish market and fish landing terminal at Dacca was started while sites for such markets at Khulna and Cox's Bazar were procured; land for the establishment of a fish and fish by-products processing unit at Cox's Bazar was purchased while possession of 110 acres of land for a modern fish harbour at Chittagong was taken over. In West Pakistan, operation of fish curing yards at Pasni was continued while drainage and water supply arrangements were completed at the fish curing yards at Gwadur.

15.58 The programme for 1967/68 for East Pakistan envisages construction of wholesale fish markets and fish landing terminals at Khulna and Cox's Bazar, construction of factory buildings and installation of plants and machinery for fish processing unit at Cox's Bazar, and construction of wharfage, floating jetties. workshops, and operational buildings for the Chittagong Fish Harbour. In West Pakistan, operation of curing yards at Gwadur will be started additional facilities will be provided for operation of ice and cold storage plants at Pasni while new curing yards will be set up at Jiwani and Ormara on Mekran Coast. Work on the extension of fish harbour at Karachi will be initiated.

(iii) Research and Survey

15.59 In East Pakistan, additional facilities were provided in 1965/66 and 1966/67 at the fish technological laboratory and the fresh water fisheries research station, both located at Chandpur. A research vessel was received from F.A.O. for carrying out a survey of the fisheries potential of the Bay of Bengal. In West Pakistan, research on carp fisheries was continued at Chhenawan Fish Farm, and a feasibility study was carried out for construction of a fish harbour at Gwadur. Research on important marine biological problems was continued at the Marine Biological Laboratory, Karachi. A preliminary survey was undertaken for assessing the fisheries potential in the Special Areas and the Mangla Dam.

15.60 The programme for 1967/68 for East Pakistan provides for procurement of a multi-purpose fishing vessel from Holland and construction of a research sub-station at Rangamati. In West Pakistan, an institute will be set up at Chhenwan for research on problems of fresh water fisheries. Two fisheries research vessels will be got constructed locally, one for East and the other for West Pakistan by the Marine Fisheries Department of the Central Government. Furthermore, a feasibility survey will be carried out for construction of mechanized boats in the two provinces. Zoological Survey Department of the Central Government will open its branch at Dacca for carrying out a survey of the fauna of East Pakistan.

(iv) Education and Extension

15.61 In East Pakistan, efforts ware made by the extension staff of the Fisheries Directorate to popularise fish cultivation in rural areas. At the vocational training centres, instruction was given to 110 fishermen in 1965/66 and 1966/67. The departmental fisheries training institute was expanded where 7 graduates completed one-year pre-service training course and 19 fish culture assistants received in-service training. In West Pakistan, 83 private persons were trained in the improved techniques of fish farming and a new fisheries training centre was set up at Lahore by West Pakistan Agricultural Development Corporation.

15.62 The programme for 1967/68 for East Pakistan envisages continuation of vocational training of fishermen and pre-service training of graduates and undergraduates. In West Pakistan, a training centre will be set up at Chhenawan and an institute will be set up at Pasni for the training of fishermen and operatior of mechanised boats. Marine Fisheries Department of the Central Government will set up two training institutes, one at Chittagong and the other at Karachi for the training of master fishermen and marine diesel engineers, and for vocational training of fishermen.

Animal Husbandry

(i) Disease Control

15.63 To improve facilities for disease control in East Pakistan 9 thana veterinary dispensaries were constructed during 1965/66 and 1966/67, while 88 were at various

stages of completion. In addition, land was acquired for another 10 dispensaries. In West Pakistan, 13 new veterinary hospitals and two dispensaries were constructed and 65 out-posts were set up The disease control organization treated 12.1 million cases of animals and birds (2.6 million in East Pakistan and 9.5 million in West Pakistan) and 3.8 million sheep were dipped and drenched. About 62.8 million animals and birds (29.2 million in East Pakistan and 33.6 million in West Pakistan) were inoculated against various diseases. About 577 stock assistants in West Pakistan and 127 thana livestock assistants in East Pakistan were employed for disease control operations.

15 64 Du ing 1967/68, 40 thana veterinary dispensaries would be constructed in East Pakistan and 180 thana livestock assistants would be employed. In West Pakistan, 75 veterinary hospitals will be maintained, 300 union councils wil be provided with stock assistants, while medicines will be provided to 1,500 union councils where stock assistants have already been provided.

(*ii*) *Animal breeding*

15.65 During the first two years of Third Plan, four livestock farms for specific breeds were improved in West Pakistan for upgrading and improving local livestock. About 673 bulls (including 102 new ones) were maintained on subsidy in West Pakistan while 30 bulls were distributed from Savar Farm in East Pakistan. Two artificial insemination centres in West Pakistan and five in East Pakistan were under construction. During 1967/68 the breeding-*cum*-dairy farm, Sylhet will be expanded while three additional artificial insemination centres will be established in East Pakistan.

15.66 Karakul Sheep farm at Rakh Khairewala (Muzaffargarh) was improved during 1965/66 and 1966/67 while establishment of Angora goat farm at the same place was completed; 90 rams were maintained on subsidy and another 95 rams we e issued from the existing Government farms for improved breeding. It is expected that during 1967/68, 100 fat-tailed sheep will be purchased for the Karakul Sheep Farm at Rakh Khairewala while 250 Kachhi sheep will be maintained at Nabirsar Road farm. About 2,000 sheep will be maintained on subsidy for improved breeding.

(*iii*) *Poultry*

15.67 During 1965/66 and 1966/67, in East Pakistan, 9 existing poultry farms were maintained and additional facilities at these farms were provided. Two poultry farms were set up at Kherimurat and Tando Mohd. Khan in West Pakistan. About 143,000 poultry birds (62,000 in East Pakistan and 81,000 n West Pakistan) were distributed among the farmers for improvement of poultry in the country. Similarly, 574,000 eggs (438,000 in East Pakistan and 136,000 in West Pakistan) were distributed among the farmers for propagation of improved breeds of birds in the rural areas. During 1967/68, broiler

production will be initiated in East Pakistan while distribution of birds and eggs will be increased in both the provinces.

(*iv*) *Education*

15.68 Over 460 scholarships were awarded to the students of Animal Husbandry College, Lahore, against the target of 510 during the first two years of the Third Plan; 132 students graduated during that period. During the same period 552 stock assistants and 127 thana livestock assistants were trained in West Pakistan and East Pakistan against the target of 600 and 141 respectively. Construction of Veterinary Training Institute, Mymensingh (East Pakistan) remained in progress and its Principal was appointed. It is expected that during 1967/68, this Veterina y Training Institute will initiate pre-service training to 50 persons (Veterinary Field Assistants, Compounders and Poultry Technicians) and in-service training to 390 staff members of similar categories. About 20 dairy farmers will be given training at Savar Farm in East Pakistan. Furthermore, 250 scholarships will be awarded for graduate studies at the Animal Husbandry College, Lahore, while training will be provided to 300 stock assistants in West Pakistan.

(*v*) *Research*

15.69 During 1965/66 and 1966/67, construction work on the Livestock Production Research Institute (Bahadurnagar) and Foot and Mouth Disease Research Centre and Veterinary Research Institute, Lahore, progressed satisfactorily while the air-conditioning of laboratories at the CENTO Institute for Animal Reproduction, Malir was completed. About 30,200 sample specimen, for diagonosis of main diseases were collected and examined in the various research laboratories and hospitals, of which 20,200 were from West Pakistan. The veterinary research laboratories produced 82.6 million doses/c.c. (s) of vaccines/sera (42.5 million in East Pakistan and 40.1 million in West Pakistan). In 1967/68, similar work will continue.

(*vi*) *Dairying*

15.70 Under the Karachi Milk Supply Scheme, about 12,000 maunds of milk were distributed free of cost among poor students and in maternity homes; another 60,000 mds., were sold during 1965/66 and 1966/67, out of which some quantity was sold at subsidised rate of 50 paisa per seer to the low income group. On the whole, this scheme met with a chequered fate which has necessitated its revision, but somehow or the other that revision has taken too long. Construction work for the Pilot Malik Project, Lahore is almost completed; a Milk Board has been formed and the project is expected to come into production during 1967/68.

(*vii*) *Other Programmes*

15.71 Construction of Zoological G rden, Dacca progressed satisfactorily during 1965/66 and 1966/67. Zological Gardens at Lahore and Bahawalpur are expected to be expanded during 1967/68.

Forestry

(*i*) *Extraction and Afforestation*

15.72 In East Pakistan, during 1965/66 and 1966/67, about 44,000 tons of timber were extracted from the Chittagong Hill tracts against the target of 43,000 tons and about 35,000 tons are expected to be extracted during 1967/68. About 3,710 acres were regenerated, 9,559 acres were afforested, and 3,017 acres were brought under soft-wood plantations. The targets for 1967/68 are: 10,000 acres of regeneration, 3,000 acres of afforestation and 2,000 acres of soft-wood plantation. During 1965/66, no rubber plantation could be undertaken in East Pakistan, only old plantation of 3,000 acres was maintained. However, during 1966/67, 350 acres were planted and rubber nurseries of 104 acres were raised. About 3,000 acres are expected to be planted with rubber in 1967/68.

15.73 In West Pakistan, about 2.02 million c.ft. of timber and 66,730 maunds of resin were extracted from the forests of Dir-Chitral and Abbotabad Circle respectively during 1965/66 and 1966/67. About 13,570 acres were afforested and about 40,000 acres are expected to be afforested during 1967/68. Furthermore, canal-side, road-side and railway-side plantations were raised over 3,086 miles, 282 miles and 29 miles respectively. The targets for 1967/68 are: canal-side plantation, 1,800 avenue miles; roadside plantation, 3,300 avenue miles, and railway side plantation over 150 avenue miles. Forest nurseries were also raised over 170 acres and another 16 acres are expected to be brought under nurseries during 1967/68. In Special Areas, about 1,000 acres were planted during 1965/66 and 1966/67 while about 14,000 acres are expected to be planted during 1967/68.

(*ii*) *Forest Improvement Operations*

15.74 For better management of forest resources in East Pakistan, two miles of new roads were constructed, nine miles were improved or repaired, 110 new buildings were constructed, 17 old buildings were repaired or improved and 29 wells were sunk during 1965/66 and 1966/67. It is expected that during 1967/68, 16 miles of new roads and 177 new buildings will be constructed and 20 new wells will be sunk. Forest boundary pillers were fixed over a length of 284 miles for demarcation while pillars over 400 miles will be fixed during 1967/68.

15.75 In West Pakistan, 143 miles of new forest roads and bridle paths were constructed during 1965/66 and 1966/67, and another 150 miles are expected to be constructed during 1967/68. Furthermore, 22 new buildings, quarters, huts etc., were constructed and four working plans were prepared while five working plans remained under preparation. In the Mangla watershed, survey was carried out over about 260,000 acres while afforestation was undertaken to cover about 2,900 acres in addition to engineering works during the first two years of the Third Plan. In the Bhurban area, over 2,190 acres of severely eroded land were terraced and

4,382 acres were protected. About 22,380 gallons of kerosine oil were distributed among the right holders during 1965/66. About 57,950 acres were covered with fire protection measures in the Hazara district and inventories were prepared for an area of 153,000 acres in Dir, Chitral and Indus Kohistan. Under the scheme for control of Shisham Defoliator, 8.18 million cft of timber and firewood were sprayed.

(*iii*) *Forest education and recreation*

15.76 During 1965/66 and 1966/67, twelve Superior Forest Service students from East Pakistan were trained at the Pakistan Forest Institute, Peshawar, 28 forest ranger students were trained at the Ranger College, Chittagong while 60 foresters were trained at the Forest School, Sylhet. During 1965/66 and 1966/67, 10 Superior Forset Service students and 72 ranger students from West Pakistan were trained at the Pakistan Forest Institute, Peshawar. Work on establishment of Natio al Park at Madhupur and Botanical Garden at Dacca was continued.

Range Management

15.77 During 1965/66 and 1966/67, 55 Range Management demonstration areas covering about 722,000 acres in the Quetta and Kalat Division, the Registan tract of the Hyderabad Division, the Cholistan area of the Bahawalpur Division and in the D.I. Khan, Rawalpindi and Multar. Divisions were maintained. About 25,000 acres were surveyed and about 49,000 acres were covered with land capability classification survey. About 471,000 acres were covered with various range improvement measures. About 11,400 heads of cattle and sheep were maintained on various demonstration areas in the Quetta, Multan and Hyderabad Regions for improving their quality and for demonstrating to the local breeders the benefits of improved range management practices.

15.78 During 1967/68, work on Cholistan Range Management scheme and Range Management Operation Project in Thal will be intensified. Under Kohistan and Hub River Management Schemes, an additional demonstration area over 25,000 acres will be established, 1,410 acres will be covered with land capability classification survey, nd about 45 ponds and wells will be sunk.

Soil Conservation

15.79 In West Pakistan, during 1965/66 and 1966/67, about 28,000 acres were developed for cultivation and about 72,000 acres of cultivated area were improved against the targets of 75,000 acres and 550,000 acres respectively, under the schemes Soil Conservation in the Soan Valley Project and Soil Conservation Operational Project. The shortfalls under these two pro- jects were mainly due to delay in the import of earth-moving machinery, certain organisational difficulties and delay in the approval of the latter project. Other

works such as range land improvement, '*Kas*' training, check daming, pond improvement etc., were also done during the first two years of the Third Plan. A total area of about 200,000 acres is expected to be covered with soil conservation practices during 1967/68.

15.80 In East Pakistan, two demonstration areas one at Debiganj in Dinajpur and another at Ramgarh in the Chittagong Hill Tracts which were established during the Second Plan were maintained. At Debiganj, cover crops and fruit crops over an area of 112 acres were grown to check soil erosion and to conserve soil moisture. At Ramgarh, an area of 190 acres has been utilised and various rabi crops were sown. In addition, about 500 acres were reclaimed and research work remained in progress during the first two years of the Third Plan. During 1967/68, soil conservation work will be continued and trials will be intensified on various crops in the project areas to determine their adaptability and capability to check soil erosion.

Colonization and Project Areas

15.81 As a result of provision of irrigation facilities in Ghulam Mohammad and Guddu Barrage areas, about 1.11 million acres were released for cultivation during 1965/66 and 1966/67. Against the target of about 300,000 acres for land levelling and development, through heavy earth moving machinery in Ghulam Mohammad and Gudu Barrage areas, about 130,000 acres only could be reclaimed. The shortfall was due to several reasons such as paucity of funds, late arrival of new machinery, and more time consuming nature of the operations than initially anticipated.

15.82 Survey of Chittagong Hill Tracts for agricultural development conducted by a Canadian consulting firm was completed and a Master Plan for development of the area was drawn up. A comprehensive development project based on the report and the Master Plan is being formulated by the Provincial Government. Initial work at the project is likely to continue during the year 1967/68.

Co-operatives and Rural Credit

15.83 Compared to the plan target of Rs. 100 million disbursement of loans by the Agricultural Development Bank in each of the years under review, the actual disbursement amounted to Rs. 257* million in two years. Recovery of loans against the amount due for recovery was 76 per cent for the years 1965/66 and 1966/67 compared to 65 per cent recovery in the year 1964/65. The number of Branches and Pay Offices of the Bank also increased from 110 on June 30, 1965 to 121 on June 30, 1967.

15.84 An agreement was signed between the IDA and the Bank on June 30, 1965 for a loan of $27 million of which $17 million was for farm machinery and $10

* This includes Rs. 131 million disbursed as loans for farm machinery and tubewells under the IDA loan agreement.

million for tubewells. The amount allocated for farm machinery was fully committed by March 1967 while that for tubewells was expected to be committed by March 1967. In the meanwhile, another such agreement for a loan of $ 15 million has been negotiated with the I.D.A.

15.85 In East Pakistan, 185 Union multipurpose societies were reorganized against the target of 225 while 852 agricultural societies were organized under the Comilla scheme against the target of 930. In addition, 10 fishermen's co-operative societies were organized against the target of 20 during the two years unde review. 123 primary societies, 7 central societies and one Provincial federation for sugarcane growers were also established during this period. One central and 125 primary milk producers societies were established. In addition, evaluation of the Second Plan scheme "Development of Co-operative Credit and Marketting Structure" was undertaken as directed by the Executive Committee of the National Economic Council. In West Pakistan, 14 large sized primary societies were organised under the scheme "Reconstruction of Rural Credit and Agricultural Marketing". Third Plan scheme for Reconstruction of Rural Credit and Agricultural Marketing in West Pakistan could not make much heady-way. In fact, the Provincial Government could not finalise the above scheme on account of frequent revisions. Evaluation of the Second Plan scheme was taken up and is likely to be completed shortly. The programme of mechanised farming in the Multan Zone was extended to another 22,854 acres against the target of 45,000 acres. Nine sheep shearing societies—three in Quetta Division, three in the Thal and adjacent areas, and three in the Tharparkar area were organised against the target of ten such societies. In addition, seven sheep shearing societies were also organised in the Cholistan area. The Regional Co-operative Training Institute at Hyderabad was nearing completion while work on Peshawar Institute is underway.

15.86 In order to increase loaning facilities by Co-operatives Institutions, a Rural Credit Fund was constituted in the State Bank of Pakistan with initial contribution of Rs. 10 million in 1961 from profits of the State Bank. By June, 1967, Rs. 75 million were diverted to this fund from the profits of State Bank.

15.87 Taccavi* loans are now being financed from non-development resources. The Provincial Governments, have, however, not yet created revolving funds for the purpose as envisaged in the Third Plan.

Land Refo ms

15.88 Under the consolidation of holdings programme which related to West Pakistan only, an area of 2.18 million acres was consolidated during the two years against the target of 2.01 million acres. As a result of this programme, 0.85 million scattered units were consolidated into 0.38 million units. This led to an increase in the average size of unit from 2.6 acres to 5.7 acres after consolidation.

15.89 The Third Plan envisages vigorous implementation of the land utilization

* Rural credit advanced by Revenue Officials.

Ordinance, 1959. However, in September, 1965 the Government of West Pakistan repealed the Ordinance, which had served a very useful purpose during the Second Plan period. Under its provisions the owners of those lands, which remained uncultivated for two consecutive years were used to be served with notices to cultivate the area, failing which the Deputy Commissioner of the district concerned could take possession of the land and lease it out. As a result of this legislation, about 0.4 million acres of uncultivated land were brought under cultivation during the Second Plan period. The question of riviving this beneficial legislation needs to be examined.

Financial Outlay

15.90 The development outlay in the agricultural sector during the years 1965/66 and 1966/67 under the Government-financed programme, amounted to Rs. 750.45 million against the allocation of Rs. 979.96 million in the Annual Development Programme; Yeilding an implementation of 77 per cent of the Annual Development Programme in the two years. (In addition, a sum of Rs. 22.94 million was provided under Capital Liability on Government account, of which only Rs. 10.74 million i.e. 47 per cent was spent during the period under review). In overall terms, against the Third Plan allocation of Rs. 4,115.27 million of development expenditure or 18.2 per cent only was utilized during the first two years. The shortfall of 23 per cent in financial utilization of the developmental funds provided under the Annual Development Programmes was mainly due to (a) difficulties in imports of key inputs like fertilizers and heavy earth-moving machinery due to inadequate availability of foreign exchange resources, (b) delay in the development of institutional arrangements and approval of certain projects, (c) delay in the acquisition of land and selection of sites in certain projects, and (d) delay in the recruitment of staff.

15.91 A net provision of Rs. 711.73 million was made for agriculture sector in the Annual Development Programme for 1967/68. A detailed picture of financial targets and achievements is presented in Tables 15.2, 15.3, 15.4 and 15.5 (Statistical Appendix).

Chapter 16

MANUFACTURING AND MINING

A. MANUFACTURING

Introduction

16.1 In a developing and predominantly agricultural country such as Pakistan, the importance of industry lies in the additional employment it provides, the foreign exchange it earns or saves by providing exportable goods or through substituting the imports and the development it stimulates in other sectors of the economy.

16.2 There was rapid growth and diversification of industry during the Second Plan period in the public as well as in the private sectors. The increase in industrial production between 1960 and 1965 was 60 per cent. The country attained self-sufficiency in a large number of consumer and capital goods. Private enterprise acquired experience and know-how which enabled it to expand its operations independently as well as in collaboration with foreign investors.

Third Plan Objectives and Targets

16.3 In the Third Plan programme for industrialization, a shift in emphasis from the establishment of consumer goods industries to intermediate and basic capital goods industries has been envisaged with a view to maintaining the contribution of the industrial sector to the savings efforts of the economy and to extend the import substitution programme over a much wider front. The policy recommended for the achievement of the export targets of the Third Plan and the Perspective Plan was the development and expansion of industries primarily for exports based on the country's natural and acquired advantages simultaneously with an import substitution effort in producer goods industries. The policies to be adopted for the achievement of the major objectives of the Plan are described as follows:—

(i) the pace and composition of industrial investment should ensure that output goals are met and that industrialization contributes its share to the G.N.P. targets;

(ii) a beginning must be made with the setting up of heavy industries notably industries to produce machinery and equipment and other capital goods;

(iii) the essential consumer goods and services are produced and marketed at stable prices for domestic consumers, consistent with an equitable distribution of income and growth in the disposable income of wage earners;

(iv) the optimum produ.tivity of existing industries is achieved as far as possible; and

(v) the maximum employment opportunities are provided, consistent with economic production.

Revised Strategy of the Plan

16.4 In 1966, variou; elements and programmes of the Third Plan were carefully reviewed with a view to evolving a new strategy of development in order to cope with the reduced availability of resources. Recent studies showed a large measure of unused capacity in some sub-sectors. Accordingly, the industrial strate_y of the Plan was re-oriented in favour of a fuller utilisation of installed capacity, coupled with a selective expansion of industries meant to gear to the export market and the agricultural sector. This policy was to be accompanied by an ambitious programme to develop skills in sophisticated industries visualised in the Plan and a shift to the private sector of a part of the responsibility assigned earlier to the public sector.

Third Plan Implementation during 1965-67

15.5 During the period under review, the demand for investment in new industries suffered a set back. With the reduced availability of resources and with the growing need to maintain balance in the payments situation, the credit policy remained generally tight. While tax relief was given in various stages to revive the capital market, the emphasis developed in favour of social justice towards the end of the Second Plan failed to find the right balance against needs of vigorous capital formation policy. On the other hand, the Investment Schedule on which sanctions were to be based did not become fully effective. An *ad hoc* curb was applied against import based industries which was not fully absorbed in the Schedule. Private sector investment in industry was thus lagging behind. This was not, however, accompanied by a better utilization of capacity as raw-material flow remained erratic. After an improvement in 1966/67 from the low level reached in 1965/66, the current year shows again a set back. As a result, the growth in industrial production at 6.2 per cent per annum in 1965/66 was almost half the average of previous year. However, the growth rate of 11 per cent was achieved in 1966/67 in spite of the restraints mentioned above, as raw-material supplies improved. It is felt that the growth of industry in 1967/68 would again go down to about 7 per cent unless imports of raw-materials improve during the second half of the year. To some extent, industrial growth is protected in the short-run from the effects of restrictions in the availability of local and foreign currency, because a significant proportion of industry is based on local raw-materials e.g. cement. sugar, textiles, fertilizers, forest products. However, production levels are likely to suffer in the long-run as investment in industry in both the public and private sectors has been adversely influenced by the reduced availability of resources. During the

period under review, 20.5 per cent of investment planned in the public sector under the Revised Plan allocations has been realized; it may be estimated that in 1967/68 this could rise to 38 per cent. In the private sector, 28.2 per cent of the investment target of the Plan was sanctioned upto June, 1967. Concerning the investment in major industrial sub-sectors, it can be said that investment in jute and cotton textiles may nearly approach the Plan targets. There is likely to be a considerable shortfall in investment in the iron and steel and engineering industries, due to lags in the implementation of private sector projects for steel production and public sector electrical and mechanical equipment projects (16 per cent of public investment in industry). The chemical and petro-chemical industries, which were to absorb 18 per cent of public and private investments are also unlikely to absorb the amounts envisaged. This is chiefly due to lags in the execution of three or four big fertilizer plants, whose completion will now run over into 1970/71 and is also related in part to delays in the formulation of schemes for petro-chemical production. Investment in non-metallic mineral products, chiefly cement, is also likely to be below expectations; firmed up plans for investment in cement will probably result in the creation of about 4 million tons of capacity by 1969/70, instead of 6 million tons anticipated in the Plan. Investment in the food manufacturing industries is likely to be near the amounts envisaged chiefly because of the influence of investment in sugar production capacity, which has kept pace with expectations. Investment in the paper and board sub-sector, to which 3.2 per cent of industrial investment had been allocated, is also likely to fall below the level anticipated, as investments in the Sylhet Paper Mill and newsprint production are not likely to be made to any appreciable extent during the Third Plan period.

15.6 A detailed picture of the principal physical targets and achievements in the Manufacturing and Mining sector is presented in Table 16.1 (Statistical Appendix). Some of the important achievements in selected industries are discussed in the following paragraphs:

White Sugar

16.7 In East Pakistan, work continued on the establishment of nine sugar mills including the expansion of two existing ones. Of these, work was completed on three sugar mills including the expansion of an existing one which increased existing capacity from 89,000 tons to 109,000 tons per year. The remaining sugar mills were in different stages of implementation. In addition, expansion of Khustia and Rajshahi Sugar Mills had also been taken up. These eight units, when completed, are expected to add another 70,000 tons to the existing capacity. All these mills are being set up in the public sector with the ultimate objective of disinvestment to the private sector at the opportune moment. In the private sector, sanction was accorded for the expansion of Darsana Sugar Mills by 8,000 tons. The installed capacity and capacity under installation, when completed, would

increase the total production capacity of white sugar to 187,000 tons as against the Plan target of 230,000 tons.

16.8 In West Pakistan, the WPIDC undertook the implementation of a sugar mill at Bannu with an annual production capacity of 15,000 tons. In the private sector, a new sugar mill at Chishtian was sanctioned in addition to projects for expansion, balancing and modernization to an aggregate capacity of 30,000 tons per year. These projects, which are likely to be completed during the Third Plan period would raise the production capacity of white sugar to 395,000 tons per year as against the Plan target of 410,000 tons.

16.9 The output of white sugar which stood at 456,000 tons in 1965/66 went down to 416,500 tons in 1966/67. As of November, 1967 the Government of West Pakistan raised the sugarcane price from Rs. 2.00 to 2.25 per maund for the crushing season 1967/68, linking this price to a standard recovery of 8 per cent premium or reduction was to be made of up to 25 per cent if the recovery was more or less than the standard. Prices of sugar have also been decontrolled, as the Government has abandoned compulsory purchasing and sugar prices have risen somewhat.

Cotton Textiles

16.10 Agains the Plan target of increasing the installed capacity from 2.56 million spindles and 37,000 looms in 1964/65 to 4 million spindles and 70,000 looms (1.3 million spindles and 20,000 looms in East Pakistan and 2.7 million spindles and 50,000 looms in West Pakistan) in 1969/70, sanctions have so far been issued for 3.57 million spindles and 46,706 looms; of these, 2.70 million spindles and 37,327 looms were installed by the end of 1966/67. The production of yarn which stood at 500.7 million lbs in 1965/66 increased to 528.2 million lbs in 1966/67, compared to the Plan target of 720 million lbs. During 1967/68, the production of yarn is likely to go up to 549 million lbs. Exports of yarn and cloth during 1966/67 was of the order of Rs. 282.85 million compared to Rs. 272.20 million in 1964/65. While it is difficult to forecast the exact position at the end of the Third Plan, it seems likely that a minimum of 3.5 million spindles will be installed by then. The rate of investment in this industry was slowed down somewhat by reduced availability of foreign exchange in the first two years of the Plan.

Jute Manufacturing

16.11 The Plan provided for the production of a minimum 800,000 tons (768,000 tons in East Pakistan and 32,000 tons in West Pakistan) of jute goods by 1970, for which 25,000 jute looms should be in full operation. In order to hav these looms in full operation,s anctioning of 12,000 additional jute looms (10,000 in East Pakistan and 2,000 in West Pakistan) during the Third Plan period had been envisaged. Originally it was estimated that an investment of Rs. 732 million would be required. With the revision of the Plan, this figure went upto Rs. 773 million. Of 10,000 looms to be installed in East Pakistan, 7,250 were earmarked for the

public sector and the remaining 2,750 in the private sector. The East Pakistan Industrial Development Corporation (E.P.I.D.C.) was to be responsible for 29 schemes with 250 looms each so as to realise the target of 7,250 looms in the public sector. Of 29 schemes, 9 schemes comprising 2,250 looms had been approved by the National Economic Council while the remaining ones are under revision in pursuance of the directive issued by the Government of East Pakistan. Out of these 9 schemes, work in respect of 4 was well underway. Land has been acquired, auxiliary machinery received and orders placed for main mill machinery. Action for the rest of 5 jute mills had also been initiated.

16.12 During the period under review, the E.P.I.D.C. undertook implementation of 16 jute mills (250 looms each) including one expansion which were taken up for execution during the Second Plan and had been carried over to the Third Plan. Of these, 6 jute mills were completed while the remaining 10 jute mills were in various stages of implementation.

16.13 Out of the Plan target for setting up of 2,500 broad looms (production capacity 120,000 tons—96,000 tons in East Pakistan and 24,000 tons in West Pakistan) 150 broad looms were proposed to be installed by the E.P.I.D.C. and the balance by the private sector. In West Pakistan, construction work in respect of the Jaranwala Jute Mills (capacity 500 conventional looms) which was being set up by private enterprise in association with the West Pakistan Industrial Development Corpo ation (W.P.I.D.C.) was in progress.

16.14 The production of jute goods which stood at 409,400 tons in 1965/66 went down to 402,800 tons in 1966/67. During 1967/68, the production may go upto 420,000 tons. Production of jute goods in 1966/67 was lower than in 1965/66 even though installed capacity increased. This was primarily due to the shut down of some of the mills for sometimes due to strikes and, to a lesser extent, power failures. Production of jute goods at the end of the Plan period may be estimated at 752,000 tons per year on the assumption that the output of a conventional loom is 32 tons/year and 23,500 looms will be in operation. However, the production per loom has been increasing and would be as high as 35 tons/year. At this rate, the production would reach 823,000 tons/year in 1969/70, as compared to the Plan target of 800,000 tons/year (excluding broad looms). At the present time, 17,929 looms are installed (17,429 looms in East Pakistan and 500 looms in West Pakistan). 4,750 looms are under erection or being ordered; of which 2,250 looms are in the semi-public sector and 2,500 looms in the private sector 4,000 in East Pakistan and 750 in West Pakistan). A total of 2,190 looms have been sanctioned but not yet ordered, of which 1,940 are in the private sector and 250 in the semi-public sector. Assuming that the time taken to complete a jute mill in the public and private sectors are working 3 and 2 years respectively, it is estimated that the total installed capacity at the end of the Plan would be at least 24,619 looms, of which 23,500 may be in full operation. With regard to broad looms, 500 had been installed at the end of the Second Plan priod. To date about

1,094 mills have been sanctioned, including those from earlier Plan period. About 59 looms have been installed upto the present to bring the total number of broad looms to about 559 and orders have been placed for another 41 looms in comparison to the Plan Target of 2,500. It appears unlikely that broad loom production will contribute much to total production for export earnings. The export of jute goods increased from Rs. 300.74 million in 1964/65 to Rs. 632.90 million in 1966/67.

Paper and Board

16.15 The Plan target was to increase the output of paper and board to 300,000 tons (160,000 tons in East Pakistan and 140,000 in West Pakistan) by 1970 against the production of 103,000 tons in the base year 1964/65. Out of this, the production target of writing, printing and packing paper was 100,000 tons (65,000 tons in East Pakistan and 35,000 tons in West Pakistan), of newspaper and mechanical printing paper was 100,000 tons (65,000 tons in East Pakistan and 35,000 tons in West Pakistan) and of board was 100,000 tons (30,000 tons in East Pakistan and 70,000 tons in West Pakistan).

16.16 In East Pakistan, the Hard Board Factory at Khulna with an annual production capacity of 10,000 tons was completed during 1965/66 while work was in full swing on the North Bengal Paper Mills (Pabna) with an annual production capacity of 15,000 tons. The progress made, during the period under review, included the construction of factory building, completion of residential accommodation and 60 per cent work on railway siding. The mill is expected to go into production by 1969. The project for a paper mill at Sylhet for manufacturing 15,000 tons of high quality writing paper is ready for implementation, but has been held up for lack of foreign exchange financing. Fresh negotiations for credit for the project are underway. If foreign exchange is obtained in the near future for the Sylhet Project and agreement is reached to undertake the Dohazari Project, the Third Plan target may possibly be attained. A project for the setting up of a paper pulp complex at Dohazari (capacity 49,500 tons) was under active consideration of the E.P.I.D.C.

16.17 In the private sector, expansion of the existing production capacity of paper by 2,300 tons was sanctioned.

16.18 In West Pakistan, sanction was accorded to an additional capacity of 30,000 tons per annum. This would raise the capacity of paper in West Pakistan to 61,000 tons, or a little above the amount anticipated in the Plan. However, this capacity will not be available until the early part of the Fourth Plan. As yet no projects have been sanctioned for producing newsprint in West Pakistan and new capacity is unlikely to be created during the Third Plan period.

16.19 The production of paper and board went down from 99,500 tons in 1965/66 to 96,700 tons in 1966/67. It is expected to rise to 106,000 tons in 1967/68

and would be at the most 175,000 tons at the end of the Plan period. The shortfall is primarily due to lack of additional newsprint production capacity proposed in the Plan. The export target of 162,000 tons in 1969/70 is, therefore, not likely to be achieved.

Forest Industries including Wood and Cork

16.20 During the period under review, the East Pakistan Forest Industries Development Corporation (E.P.F.I.D.C.) continued work on 7 important development projects. These included wood and bamboo treating, timber seasoning, lumber processing, wood waste utilization, forest industries complexes, etc. and these projects were in different stages of execution. In West Pakistan, the W.P.I.D.C. continued implementation of the two projects at Pirawala and Havelian and these are likely to go into commercial production during 1967/68.

Chemicals and Fertilizers

16.21 The development of domestic capacity to produce fertilizers required for agricultural development was one of the biggest items in the original Plan for the Manufacturing Sector. A production target of 2.50 million tons of nitrogenous fertilizers in terms of Ammonium Sulphate (1.30 million tons in East and 1.20 million tons in West Pakistan) and 550,000 tons in terms of Triple Super Phosphate (350,000 tons in East and 220,000 tons in West Pakistan) was envisaged. It was also anticipated that a large share of the investment would be made in the public sector. Meanwhile, the programme is developing more slowly than was anticipated and most of the production from new installed capacity will be available in the first year of the Fourth Plan. Changes have also occurred in the location of plants, particularly in West Pakistan, where the emphasis is now heavily on urea production. Additions to current production can be expected from the new East Pakistan plants during the Third Plan. Addition to production of Nitrogenous fertilizers should occur in West Pakistan when the Urea plant at Mari comes on stream in 1968. On the whole, if the enlarged fertilizer requirements of East and West Pakistan are realized, it will not be until the Fourth Plan that these can be met fully out of domestic supply.

16.22 To meet the fertilizer requirements of East Pakistan, construction work was initiated on four E.P.I.D.C. projects. The Natural Gas Fertilizer Factory, Ghorasal with an annual production capacity of 340,000 tons of Urea is likely to go into production by 1970. Civil engineering works were initiated and an agreement with a Japanese firm to supply plant and machinery on turn-key basis was signed. Satisfactory progress was registered in respect of the first Triple Superphosphate Factory, Chittagong (32,000 tons capacity). Of its three plants, the sulphuric acid plant was completed in 1967 and phospheric acid and T.S.P. plants are expected to be completed by 1968 and the factory is expected to go into production by 1968/69. The second Triple Superphosphate Factory, Chittagong (120,000 tons capacity) is scheduled to go into production by the end of 1969/70; the site had been developed and civil engineering works begun. The Ammonium

Sulphate Plant at Fenchuganj, Sylhet (12,000 tons capacity) is expected to be completed by 1968/69. During the period under review, the site was selected and an agreement with a Japanese firm for supply of plant and machinery was signed. Work had also been initiated on another Triple Superphosphate Factory (120,000 tons capacity) at Khulna, whose production will be available in the Fourth Plan period.

16.23 A private party had also been issued a letter of intent for the establishment of 340,000 tons Urea plant based on natural gas

16.24 The D.D.T. Factory (3,000 metric tons capacity) at Chittagong was completed during the period under review. The streptomycine factory at Dacca having a rated capacity of 20 tons a year made fairly good progress, while the work was well underway on Vitamins and Harmones plant at Tongi. Negotiations with two foreign firms were underway for the setting up of two insecticide and pesticide plants with an annual production capacity of 4,000 tons. A viscose rayon and cellophane plant based on bamboo pulp with a rated capacity of 10 tons of viscose rayon and 5 tons of cellophane papers daily had gone into production during the period under review.

16.25 In West Pakistan, the expansion of the Chemical and Fertilizer Factory at Lyallpur from 18,000 tons to 54,000 tons was almost complete and commercial production is expected to commence early 1968. The first extension of the Pak. American Fertilizer Factory, Daudkhel, for increasing its production capacity from 50,000 tons to 90,000 tons is expected to go into production in 1968/69. Keeping in view the rise in demand for the Nitrogenous Fertilizers, the W.P.I.D.C. took up two more schemes, viz. (i) Balancing of the Natural Gas Fertilizer Factory, Multan by creating an additional capacity of 29,700 tons of Ammonium Nitrate and 16,500 tons of Urea per annum, and (ii) the second extension of the Pak-American Fertilizer Factory, Daudkhel, for production of 600,000 tons of Ammonium Sulphate. While the factory at Multan is expected to go into production by December, 1967, the proposals for second extension of Daudkhel are still under consideration by the Government. Survey and investigations were in progress for setting up of a potash fertilizer plant based on Dhariala brine reserves. A potash fertilizer amounting to 17,500 tons per annum is expected to be made available by 1969/70.

16.26 In the private sector, a nitrogenous fertilizer factory located at Mari with a rated capacity of 170,000 tons of Urea is scheduled to go into production in 1968. Sanction was also accorded for the setting up of a Triple Super Phosphate factory at Karachi with an annual production capacity of 150,000 tons. Foreign exchange for the project had already been financed and the Plant is expected to go into operation by 1970. Permission had been granted to three private firms for the setting up of Urea fertilizer factories at Sheikhupura and Lahore area

each with a rated capacity of 340,000 tons per annum. These plants are scheduled to go into production by the end of 1970/71. An acetate rayon plant, in the private sector, with a capacity of 3,000 tons went into production, during the period under review. A number of units (pharmaceuticals, industrial chemicals, dyes and colour, soap and detergents, agricultural chemicals etc.) were in different stages of completion.

16.27 The Coal Tar Distillation Plant at Daudkhel capable of producing 750 tons of creosote oil and 500 tons of road tar/pitch per annum could not commence commercial production during 1966/67 owing to some technical difficulties, which affected the quality of the products, is now likely to go into production in 1967/68.

16.28 The production of fertilizers of different varieties is increasing but slowly. The production of Urea increased from 115,900 tons in 1964/65 to 132,000 tons in 1965/66 and to 140,100 tons in 1966/67. Likewise, the production of Ammonium Sulphate increased from 34,835 tons in 1964/65 to 38,426 tons in 1965/66 and to 42,200 tons in 1966/67

Petro-chemicals and Petroleum Products

16.29 An agreement was entered into between the E.P.I.D.C. and a Japanese firm for the preparation of a Petro-chemical project for production of PVC/PVA and Polyethylene, which would come on stream during the Fourth Plan period. A polythene bag manufacturing unit with a production capacity of 5 million bags per annum was completed at Fenchuganj. In West Pakistan, a private organisation had been issued a letter of intent for the setting up of a naphtha craker on the end products of which a number of down streams and processing units will be installed. A.P.V.C. plant with a production capacity of 5,000 tons per annum had already gone into production. Permission was granted to a private party for the establishment of a synthetic rubber factory with a capacity of about 10,000/12,000 tons per annum. This plant is likely to go into production by 1970.

16.30 Planning Division, with the assistance of the UN & UNSF, have undertaken a project on "Pre-investment Studies for the Promotion of Fertilizers and Petro-chemicals Industries in Pakistan" during the current Plan. Foreign experts have since joined and commenced the studies.

16.31 The capacity of the Pakistan Refinery at Karachi was increased to about 2.50 million tons per annum. The National Oil Refinery, Karachi, which went into production with an annual capacity of 500,000 tons is expected to increase its capacity to 1.78 million tons and the extension is scheduled to be completed by 1969/70. The Eastern Refinery at Chittagong having a capacity of 1.5 million tons of Crude-Petroleum Processing is almost ready for trial production.

Non-Metallic Mineral Products

16.32 The Plan target for the production of cement was 6 million tons/year (2 million tons/year in East Pakistan and 4 million tons/year in West Pakistan). Satisfactory progress was registered in respect of clinker grinding factory of 300,000 tons capacity of cement per annum at Chittagong and the factory is expected to go into production by 1969. The EPIDC have also taken up necessary steps to expand the Assam Bengal Cement Factory (150,000 to 300,000 tons capacity) at a cost of Rs. 13.20 million. Another scheme for the manufacturing of cement in Jaipurhat Limestone and Cement Works having an annual production capacity of 660,000 tons at a cost of Rs. 331.75 million has also been prepared and submitted to the Government.

16.33 In the private sector, permission was granted for the setting up of a clinker grinding plant in East Pakistan based on imported clinker to produce about 420,000 tons of cement per annum.

16.34 In West Pakistan, work on the addition of 5th and 6th Kilns to the Zeal Pak Cement Factory at Hyderabad to raise its capacity from 480,000 tons to 1,080,000 tons per annum was underway and these units are likely to start during 1968/69. The White Cement Factory at Daudkhel, with a capacity of 15,000 tons per annum, started commercial production from the current year. The West Pakistan Board of Managemeut (ACC) have since taken up two schemes, viz. (i) Extension of Rohri cement works, Rohri and (ii) Rehabilitation, Balancing and Modernization of Wah Cement Factory, Wah. At Rohri, it is proposed to expand the capacity from 90,000 tons to 270,000 tons at a cost of Rs. 30 million and at Wah from 260,000 tons to 380,000 tons at a cost of Rs. 27 million. These two units are expected to go into production in 1970.

16.35 The production of cement increased from 1.65 million tons in 1965/66 to 2.08 million tons in 1966/67 and it is likely to go up to 2.40 million tons in 1967/68.

Basic Metal Industries

16.36 The Plan target for the production of steel was fixed at 1.20 million tons (300,000 tons in East Pakistan and 900,000 tons in West Pakistan).

16.37 In East Pakistan, the Iron and Steel Plant at Chittagong with an annual production capacity of 150,000 tons was completed at a cost of Rs. 335.74 million —an increase over the original estimates of 24 per cent. The mill went into production in February, 1967, a little ahead of schedule. Provision had also been made for the expansion of its capacity to 250,000 tons of steel ingots and this scheme had already been taken up for execution and is expected to be completapby 1969/70 at a cost of Rs. 79.26 million.

16.38 In West Pakistan, the prospects for the setting up of a steel mill based on indigenous iron ore has brightened up following the successful tests carried out by M/s Salzgitters of West Germany. In pursuance of the decision taken by the Government, the United Nations Panel on Steel Making attended the conference held at Islamabad on 15th and 16th May, 1967, which was also attended by representatives of M/s Salzgitter, and the Panel changed their views regarding technological difficulties apprehended by them earlier. The formal report by the U.N. experts is yet to be received. In the meanwhile, a project costing Rs. 1,392 million with an annual production capacity of 1 million ingot tons drawn up by W.P.I.D.C., is under active consideration of the Government.

16.39 In the private sector, fresh feasibility reports have been submitted for the establishment of two steel plants at Karachi each with a capacity of about 500,000 tons per annum, based on imported iron ore and coal/coke. These projects are under active consideration of the Government.

Engineering Industries including Metal Products

16.40 In East Pakistan, work relating to the establishment of the Machine Tool Factory at Joydevpur, Dacca, having an annual production capacity of 12,155 tons was in progress. Although the first phase of the project is likely to be completed by 1972/73, the initial production will commence in 1969/70. The progress made, during the period under review, entailed development of land, commencement of civil engineering works and placement of orders for machinery against Swiss credit. The scheme for Pakistan Diesel Plant having an annual production capacity of 3,000 engines was also making good progress and is expected to go into initial production by early 1968. The scheme for Electrical Wire and Cables Manufacturing Plant at Chittagong (6,000 tons capacity) was under implementation and is scheduled to be completed by 1968/69 at a cost of Rs. 30.79 million. The scheme for the Electrical Equipment Manufacturing Plant with an annual production capacity of 10,000 tons and is estimated to cost Rs. 72.52 million took concrete shape and the progress made during the period under review, entailed completion of contour survey, initiation of land development work and signing of an agreement with Prommashexport of U.S.S.R. for the preparation of a detailed project report including production programme. The EPIDC formulated schemes for a Brass mill and a Jute Mill machinery for the current Plan.

16.41 In West Pakistan, the Machine Tool Factory at Landhi was nearing completion and is expected to go into production in 1968/69. A Heavy Machinery Complex with an annual production capacity of 14,000 tons of heavy machinery was under implementation near Taxila with Chinese collaboration and the same is expected to go into production in 1968/69. The scheme for setting up a Heavy Electrical Complex with Russian assistance is now under revision and the project will be located near Taxila. A project for a "Central Foundry and Forge" has

also been prepared by the WPIDC for meeting the needs of castings and forgings of the Heavy Mechanical and Heavy Electrical Complexes besides other requirements. The project is likely to produce 47,020 tons of castings and forgings per annum A scheme has been dr wn up by WPIDC for production of 24,000 tons High Pressure Steel Pipes per annum in participation with private partie:. The scheme is presently under examination by different agencies of the Government.

Transport Equipment

16.42 In East Pakistan, work relating to (i) Chittagong Dry Dock and Heavy Steel Structure Works and (ii) the 350 ft. Dry Dock at Narayanganj made satisfactory progress. While soil boring test, contour survey and plant layout, including 90 ft. earth filling was completed in respect of the former scheme, civil engineering works were taken up on the latter. Order for sheet pile is awaiting clearance by EXIMP Bank, Japan.

16.43 In West Pakistan, the performance of the Karachi Shipyard registered appreciable improvement during the period under review, as compared to 1964/65 because of better utilization of the capacity particularly in ship building and steel foundaries. Non-availability of foreign exchange resulted in slow progress on the construction of second Dry Dock and second Berth under Phase II, Part I, of the scheme. A scheme for manufacture of 300 tons of Spheroidal Graphite Cast iron at the Karachi Shipyard is likely to be completed by 1968/69 if foreign exchange is made available during the current year.

Miscellaneous Industries including Printing Presses

16.44 Satisfactory progress was registered in the implementation of the schemes relating to the establishment of a printing press at Islamabad and the balancing and modernization of Central Government Presses at Karachi, Dacca and Rawalpindi. Plant and machinery were in advanced stages of installation in the Islamabad Press and arrangements for staff quarters were being made. In East Pakistan, a "Ground Nut Oil Mill" with a capacity of 4,650 tons of oil and 10,110 tons of oil cake was completed by EPIDC in July, 1967 and work was in progress on (i) Transit Depot at Chittagong and (ii) Expansion of Studio and Laboratory. In West Pakistan, arrangements for expansion of the Government Press, Bahawalpur and setting up of new presses at Sargodha and Hyderabad were made.

Industrial Estates

16.45 In order to obviate the difficulties encountered by the industrialists in procuring land, water and power, 8 large Industrial Estates in East Pakistan and 6 such Estates in West Pakistan were in different stages of implementation.

Small Industries Promotional Programme

16.46 In East Pakistan, the schemes relating to (i) Technical and Management Services and (ii) Commercial services were in different stages of execution. There

were 22 such on-going schemes and 12 new schemes under implementation during the period under review. The implementation of these projects resulted in the training of 458 persons in different branches of rural industrial service rendering of advisory services to 721 entrepreneurs and offering of technical assistance to 91 factories. The design centre at Dacca continued to undertake research on designs and supplied 949 designs for textiles, 185 for dolls, 200 for pottery and 700 proto-type for pottery. The artisan workshops, common facility centres for handlooms and 12 small industrial estates were in different stages of development. In addition to the above, three schemes, namely (1) Weaver's co-operatives, (2) Development of Salt Industry, and (3) Development of Brass and Bell Metal Industry were also under implementation.

16.47 In West Pakistan, 65 on-going projects were under implementation. Civil works on all 9 small industrial estates were completed. Nine service centres for specific industries also started providing design development service in (1) Machine development, (2) Tool development, and (3) Production development fields. The Handicrafts Design Centre at Lahore and 21 other Handicrafts development centres including rural institutions, handloom centres, etc., were also reorganised. Ten carpet industries development centres were reorganised into commercial units and the loomage in each centre was raised to 50. The 12 new projects, planned for the Third Plan, were in various stages of development.

16.48 Apart from the above, the Central Government took up 8 schemes for the development of technical training and for rendering technical assistance (PITAC) and advisory services. Of these, 6 were in progress. The institution, viz, Pakistan Industrial Technical Assistance Centre, Industrial Advisory Centre of Pakistan, Swedish Pakistan Institute of Technology turned out nearly 566 trainees, rendered advisory services to Industrial units, prepared 254 projects/portfolio briefs for proper planning of sound industrial investment. The schemes relating to Northern areas were mostly in preliminary stages.

Scientific and Industrial Research

16.49 The Pakistan Council of Scientific and Industrial Research (PCSIR) accelerated its activities and undertook the implementation of 4 on-going schemes which included (i) the setting up of the Central Laboratory at Karachi and 3 Regional Laboratories at Dacca, Lahore and Peshawar, (ii) Natural Drug Research Development Institute at Chittagong, (iii) North East Regional Laboratories, Rajshahi and (iv) Pak-Swiss Precision Mechanics Instrumentation Training Centre, Karachi. The West Regional Laboratory at Lahore was completed. Construction of buildings for the Pak-Swiss Precision Centre at Karachi and the hostel were completed and 3 years teaching course was started from September, 1965. Work in respect of the Chittagong Drugs Research Institute and the Regional Laboratory, Rajshahi, was also taken up. Of 97 processes developed by the laboratories of the PCSIR, 45 patents were leased out to the industrialists for commercial exploitation. Of these, 17 processes had gone into production, a d 13

others were expected to go into production shortly. Besides, 6 processes were ready for commercial exploitation and 16 more are shortly expected to be ready for such exploitation. The documentation centre PANSDOC, provided facilities for documentation and reproduction in the form of films, photocopies of scientific references, and translation from various languages into English. The centre is in touch with 600 libraries and information centres of the world. The UNESCO has recognised PANSDOC as a training centre for the personnel of scientific organizations of many South East Asian countries.

Private Sector

16.50 The Plan envisaged an investment of Rs. 8,300 million (3,800 million in East Pakistan and 4,500 million in West Pakistan) in the privately-financed sector. In accordance with the Plan objectives relating to a balanced and planned development of industries, the Government announced on 4th April, 1966, a Comprehensive Industrial Investment Schedule. It covered 23 major groups of industries and provided for an investment of Rs. 10,885 million (Rs. 5,024 million or 46 per cent in East Pakistan and Rs. 5,861 million or 54 per cent in West Pakistan). Sanction for investment and capacities should exceed the financial and physical targets of the Plan in order to fulfil export targets; allow for the gap between capacities and actual production; and ensure adequate supplies in the home market; allow for the gap between capacities and actual production; and ensure adequate supplies in the home market; allow for setting up of competitive industries and avoiding of monopolistic trends and take care of the rising cost.

16.51 The sanctions issued by the competent authorities, during the period under review, amounted to Rs. 2,606.64 million (Rs. 851.98 million for East Pakistan and Rs. 1,754.66 million for West Pakistan). A detailed picture of the investment sanctioned in privately-financed industrial sector for different groups of industries is shown in Table 16.2 (Statistical Appendix).

Financial Outlay

16.52 In the public sector, the Third Plan envisaged an investment of Rs. 3,513.35 million in manufacturing field (Rs. 2,339.35 million in East Pakistan and Rs. 966 million in West Pakistan and Rs. 208 million for the Centre). During 1965/66—1966/67, an expenditure of Rs. 718.98 million or 70.5 per cent was incurred against the allocation of Rs. 1,019.28 million. The shortfall of 29.5 per cent was mainly due to (i) delay in the commitment of foreign aid, and (ii) tight financial position of the country. The cost of development to the total Plan outlay worked out to 20.5 per cent. A sum of Rs. 618.02 million has been earmarked for 1967/68 and it is estimated that a sum of Rs. 2,350.48 million would be required for the remaining two years of the Plan. A detailed picture of the financial targets and achievements is presented in Tables 16.3, 16.4, 16.5 and 16.6 (Statistical Appendix).

B. MINING

Introduction

16.53 A rapid exploration and development of the mineral and fuel resources of Pakistan is essential to meet the increasing need for utilities and for raw-material inputs for new industries. Moreover, industries based on exploitation of natural resources are of special importance to Pakistan with a view to saving recurrent foreign exchange expenditure and producing intermediate materials which substitute for imports. A concerted search has revealed an impressive inventory of natural wealth which includes large deposits of natural gas, coal, iron ore, chromite, barytes, gypsum and other minerals in both provinces. This natural wealth must be exploited as fully and as rapidly as the available financial resources and technical know-how permit. An all-out effort is necessary to find and develop oil, coal and gas resources so that the import bill for fuels does not off-set the advantages gained by setting up refineries based on imported crude oil.

Third Plan Objectives and Targets

16.54 The Third Plan programme for the development of mineral resources envisaged further intensification of the investigation work for the discovery of additional and new mineral deposits. The programme aimed at subjecting the mineral bearing tracts to geological mapping on a scale I: 250,000 during the Plan period and to conduct detailed investigations on the known but not yet explored deposits of minerals to determine their extent and quality. Research was to continue on the known deposits of marginal value, such as low grade chromite, to evolve means for their utilization. The Geological Survey of Pakistan was to continue to assist and support other development activities such as the investigations of ground water resources and investigations connected with the control of salinity and waterlogging. About half of the investment in the Geological Survey activities was to be used on the economic evaluation and utilization studies for known reserves and the remaining half was to be employed on geological mapping and the search for further minerals.

Third Plan Implementation during 1965-67

16.55 During the period under review, the production of minerals increased slightly, the index (base 1959/60=100) rising from 174.5 in 1964/65 to 182.3 in 1965/66 and to 193.0 in 1966/67. While the production of minerals like rock salt, natural gas, chromite, silica sand, limestone and sea salt registered an upward trend, there was decline in the production of coal and gypsum. The production of these two minerals could have been much higher had there been the market demand.

16.56 During the first two years of the Plan, continued priority was given to the exploration and exploitation of the sub-soil resources of the country to which 60 per cent of public sector investment is allocated under the revised Third Plan.

The programme aims at meeting the requirements of developing industries in the country from indigenous resources as much as possible, increasing foreign exchange earnings through exports, exploiting and developing the proved mineral resources as rapidly as possible and accelerating the geological investigations of the mapped areas and of identifiable but proved deposits. Exploration of oil and gas was continued by private oil companies in collaboration with the Oil and Gas Development Corporation of Pakistan. Although 14 wells (13 in West Pakistan and 1 in East Pakistan) were drilled, no fresh oil or gas fields were discovered.

16.57 A detailed picture in respect of the physical targets and achievements in 1965/66—1966/67 is presented in Table 16.1 (Statistical Appendix). Some of the principal physical achievements in the mining sub-sector are discussed in the paragraphs below:—

Geological Survey

16.58 In East Pakistan, the geological and geophysical investigation, supplemented by extensive drilling were almost complete in Jaipurhat, Jamalganj-Pherpur region of Bogra/Rajshahi districts for the exploration of Gondwana coal. The accumulated data was being analysed for preparation of appropriate development schemes. The reserves, as delineated by the drill holes in western Rajshahi division were estimated at 760 million tons of bituminous coal at depths ranging from 2,100 ft. to 3,400 ft. The estimated availability of bituminous coal is, however, expected to increase to 1,460 million tons. Shaft site drilling near Jamalganj was completed at a depth of 3,449 ft. Detailed geological logs were prepared and the report was under preparation. Topographical and geological mapping for coal, limestone and other resources was also done in Takurghat area. To develop the Jamalganj coal mines, the E.P.I.D.C. prepared and submitted a scheme to the Provincial Government for Rs. 915.44 million with an annual production capacity of 1.45 million tons of coal in the first phase and 3.40 million tons in the second phase.

16.59 In West Pakistan, the field work in part of Khost Sharig coal field was done and an interim report was submitted. Geological mapping of a part of Pir-Ismail Ziarat coal field was completed. An interim report on geology and coal resources appraisal of Lakhra coal field (largest in West Pakistan) was issued and the final report was under preparation. Drilling investigations were taken up to ascertain the structure of coal bearing horizon in the Makerwal coal field and 5,000 ft of drilling were completed for sub-surface data of Makerwal and Salt Range coal fields. The geological details including sub-surface condition of the coal seams in the Sor Range, Degari coal fields were completed on 1: 12,000 map and the detailed reports were being finalized.

Coal and Peat

16.60 In East Pakistan, the survey and investigation work on the development of peat and coal deposits was continued during the period under review. In

West Pakistan, the W.P.I.D.C. continued the implementation of the three on-going projects relating to the development of coal mines. The average production of coal from these mines, during 1965/66—1966/67 was virtually the same as in 1964/65. In fact, the capacity for coal raising at the WPIDC mines at Makerwal, Sor Range, Sharigh and Degari is larger than current production. The actual production of coal from these mines would have been higher had there been sufficient demand. These mines are expected to achieve production level of 2,750 tons of coal per day in 1967/68 and thereafter 3,450 tons per day. The following table indicates the production of coal from these mines:—

(Thousand Tons)

		Central Block	Degari	Sharigh	Makerwal	Total
Base year	1964/65 ..	47.7	28.9	27.2	187.8	291.6
	1965/66 ..	52.5	39.0	38.0	164.5	294.0
	1966/67 ..	50.4	48.8	31.8	159.7	290.7

Iron Ore

16.61 Although test drilling was done up to 1,570 ft. in the Pirganj area of East Pakistan, no iron ore body was found. A reconnaissance survey for iron ore over an area of 400 sq. miles in West Pakistan was made; this showed the presence of iron ores in different localities. A promising deposit of high grade iron ore (mainly magnetite) was found near Chilgazi (Chagai district) and a detailed geological, geophysical, and drilling operation was underway to evaluate this deposit. The iron ore reserves were estimated at 3 million tons of high grade ore and over 20 million tons of low grade ore. Investigations on iron ore deposits including detailed sampling in Pezu and Shaikh Budin Hills (D.I. Khan district) were completed. Low grade iron ore was found and analysis testing of some samples were carried out. In Dammar Nisar of the Drosh district of Chitral State, there were indications of the presence of additional iron ore lenses at shallow depth. The geomagnetic survey was carried out in some other areas and the data collected was being analysed and interpreted.

Oil and Gas

16.62 During the period under review, the oil exploration survey and development work was continued by the private oil companies in partnership with the Government. As many as 14 wells (13 in West Pakistan and 1 in East Pakistan) were drilled. No new oil or gas discoveries were reported during this period. In West Pakistan, the natural gas pipeline was extended from Multan to Lahore, Lyallpur, Dandot, Gharibwall, Rawalpindi, Islamabad and Wah by the Sui-Northern Gas Pipeline Ltd. A proposal to extend the gas pipeline to Peshawar and Daudkhel was under consideration. In East Pakistan, work was continued on the construction of gas pipeline from Titas gasfield to Dacca and Narayanganj

and work is expected to be completed during 1967/68. Construction of natural gas pipelines from Jaldi to Chittagong in East Pakistan and from Sari to Karachi in West Pakistan was under consideration and these schemes will be implemented if commercial quantities of gas are proved in these fields.

15.63 Mari gasfield in West Pakistan and Titas gasfield in East Pakistan are expected to be developed for gas production in 1967/68. Test well at Meyal in West Pakistan and Bhakrabad in East Pakistan are proposed to be drilled in 1967/68. A test well in the Bay of Bengal will be drilled after the results of the Seismic survey carried out by Pakistan Shell Oil Company during 1966/67, are known. A development well at Habibganj in East Pakistan and an additional well at Mari gasfield in West Pakistan will be drilled in 1967/68 to prove additional gas reserves.

15.64 The Oil and Gas Development Corporation carried out geological, gravity and aeromagnetic surveys in both wings of the country. The following table indicates the progress made in respect of deep drilling in East Pakistan at Jaldi and Semutang and in West Pakistan at Tut, Sari and Kot Sarang.

	Unit	1965/66	1966/67	Target depth
East Pakistan—				
(1) Jaldi	Meters	2,825	3,360	4,200
(2) Semutang	,,	—	1,068	4,500
West Pakistan				
(1) Tut No. 1	,,	3,945	4,446	4,500
(2) Sari No. 2	,,	—	2,208	2,400
(3) Sari No. 3	,,	—	1,855	2,200
(4) Kot Sarang	,,	—	3,647	4,200

15.65 The production of natural gas increased from 62,896 million c.ft. in 1964/65 to 72,036 million c.ft. in 1965/66 and to 79,979 million c.ft. in 1966/67. While the production of oil increased from 3.31 million barrels in 1964/65 to 3.39 million barrels in 1965/66, it decreased to 3.20 million barrels in 1966/67. There was an increase of 8.0 per cent in gas production and a decrease of 5.6 per cent in oil production as compared to the production in 1965/66. As yet imports of fuel particularly petroleum, which accounted for 2.2 per cent of the value of imports in 1966/67, continues to increase although some substitution by gas is taking place.

Glasses and other Minerals

15.66 Analysis of collected samples of glass sand of Moulavi Bazar and Chring area of Chittagong were completed and reports were prepared.

Clay

16.67 Deposits of white china clay were investigated in the Fenchuganj area of the Sylhet district and the samples were collected and tested. White clay was also found in several localities in the border regions of Garo Hills in the Mymensingh district. An agreement for conducting feasibility studies on the development of the China Clay deposits in Swat was signed in May, 1966 with M/s. Japan Consulting Institute, Tokyo. In their final report submitted in January, 1967, the Institute confirmed that the mineral discovered is of high standard and on beneficiation it can be used for almost all the purposes for which it is required. Based on this report, the W.P.I.D.C. formulated a scheme for 'Development and Utilization of Swat China Clay', costing Rs. 35.34 million and the same is under consideration of Government.

Limestone

16.68 Work was initiated to extract limestone in different parts of East Pakistan. Satisfactory progress was registered in respect of quarrying and distribution of limestone at Thakurghat which is now being supplied to Assam-Bengal Cement Factory. The plan for large scale exploitation of Jaipurhat-Jamalganj regions limestones for production of cement and for other needs of the province were under preparation. The assessment of limestone reserves was undertaken in different parts of West Pakistan. Most of the samples collected were analysed and reports prepared.

Training and Research

16.69 During the period under review, the construction work in respect of the establishment of a College of Mineral Technology at Quetta was not only in full swing but it was also progressed ahead of schedule. The schemes relating to the establishment of two more Mining Training Institutes, one in each province, were initiated.

Financial Outlay

16.70 The total development outlay in the mining field of the Government financed sector amounted to Rs. 155.23 million during the period under review. This worked out to 26.2 per cent of the revised Plan allocation of Rs. 592 million and 98 per cent of the allocation of Rs. 157.74 million during 1965/66—1966/67. A sum of Rs. 84.16 million has been earmarked for 1967/68 and the amount projected for 1968/69—1969/70 stands at Rs. 246.28 million. A detailed picture of financial targets and achievements is presented in Tables 16.7, 16.8, 16.9 and 16.10 (Statistical Appendix).

Chapter 17

WORKS PROGRAMME

Introduction

17.1 The Works Programme is a multi-purpose experiment in socio-economic development. Its main objectives are: (a) supplementing the country's centralized development plan with programmes of local development; (b) providing additional and seasonal work for the unemployed and the under-employed, and (c) bringing about a change in the outlook of the individual so necessary for lasting progress by involving him in co-operative efforts channelled into projects of local development with immediate and visible benefits. It was started towards the middle of the Second Plan period as a project outside the Plan with a view to supplementing the development effort of the Plan at the village level. As it was feared that the injection of additional purchasing power in the relatively non-monetized economy of the village in the form of wages might create inflationary pressure, the programme was backed by supplies of food-stuffs under the PL-480 programme. Financing of the programme was related to the grant portion of counterpart funds generated by the sale of PL-480 supplies. Out of Rs 1,600 million allocated for the programme, only Rs. 640 million were utilized but the experience was highly encouraging, as it evoked a good deal of enthusiasm at the local level, particularly in East Pakistan.

Third Plan Objectives and Programmes

17.2 The Works Programme was integrated into the Third Plan with a larger allocation of Rs 2,500 million (reduced to Rs 1,820 million in the revised allocations). It was also proposed to expand the scope of the programme to urban areas and to streamline the procedures for the organization of the programme in the light of experience gained. The Plan described the objectives of the programme as:

(a) creation of the necessary infra-structure such as roads, bridges, irrigation canals, flood protection embankments, drinking water supply facilities etc. in the rural areas;

(b) provision of larger employment opportunities in the rural areas;

(c) creation of an effective nucleus of planning and development at the local level and association of a much larger segment of the population with the country's development effort; and

(d) mobilization of additional monetary and manpower resources for local projects through taxation or voluntary labour.

Generally, the programme was intended for exploring the areas where encouragement by the Government could generate action for meeting the local requirements through self-help.

Third Plan Implementation during 1965-67

17.3 The Works Programme suffered much more heavily than other components of the Plan from adverse developments during the first two years of the Plan. The allocations were drastically reduced for this programme, as a very large proportion of reduced resources was claimed by the ongoing commitments in other sectors. It was also natural that in a period when strains on resources were tending to be reflected in inflationary pressures, the scope of the Works Programme should be restricted as its impact on employment and consumption is largest. Moreover, since the financing of the programme was related to grants from counterpart funds, the reduced supplies of PL-480 foodgrains tended to affect the releases of funds. Finally, there was some concern regarding the implications of changes in PL-480 legislation which reduced the proportion of grant in the release of counterpart funds for Works Programme. New financing arrangements had to be worked out in the light of these changes. However, a substantial increase in the allocation for the Works Programme during 1967/68 is a clear indication of the priority attached to this sector by the Government. A good deal of momentum appears to be building up in this programme from the beginning of 1967.

17.4 Despite the paucity of funds, steady progress was made in certain areas. Particularly notable is an expansion in the scope of the irrigation programme. Upto the Second Plan period, the Rural Works Programme was confined to projects of local interest which could not be considered on a national or regional scale and the impact of which on economic development generally was limited. In the first two years of the Plan, the Works Programme made some headway in the field of winter irrigation which is a province-wide problem but requires its solution essentially on a local basis within a general programme. A modest beginning was made on an experimental basis in 1965/66 covering 10 selected thanas of East Pakistan for raising additional crops during the dry months with the help of low-lift pumps. The work on this project continued during 1966/67 and received the support of various institutions interested in agricultural extension work. The results are now being evaluated by a committee before extending the programme to other areas of the province.

17.5 Another important field of activity explored under the Works Programme in East Pakistan was the development of fisheries. The programme took over the less productive fisheries tanks and developed them into productive units. The programme which was started in 1966/67 is expected to cover the whole of East Pakistan excluding the Chittagong Hill Tracts by the end of 1967/68.

17.6 As the Works Programme emerged out of the experimental stage into a full-fledged development programme, the systems of accounting, reporting,

planning and evaluation were improved. An accounts manual was designed to systematize accounting and to introduce better financial discipline in the implementation of the Programme. A reporting system was also introduced which subjected the activities of the Union Councils and Committees to review by the Government. To evaluate the programme, a high-powered Committee has been formed which will review the existing procedures. Another Evaluation and Inspection Team at the Government level has been constituted for conducting regular inspection of thanas and union councils. The team made intensive tours to attune the thana and union councils to successful implementation of a much larger and diversified Works Programme.

Physical Achievements in East Pakistan

17.7 During the period under review, the projects executed under the Works Programme in East Pakistan related mainly to communications, buildings, flood control and irrigation. 34,519 miles of kutcha roads, 1,188 miles of pucca roads and 20,565 bridges and culverts were constructed under the programme. 1,693 buildings were constructed to house thana training development centres, union community centres and market/shopping centres. 3,884 miles of embankments were constructed for flood protection and 2,515 miles of canals and drains were dug for irrigation. Besides this, 129 derelict tanks were re-excavated and 31 parks and play-grounds were prepared. For 1967/68, new types of projects such as coastal afforestation, cyclone shelters and community development buildings and tree plantation have been planned. A detailed picture of physical achievements in East Pakistan is presented in Table 17.1 (Statistical Appendix).

Physical Achievements in West Pakistan

17.8 The major projects executed during 1965-67 in West Pakistan related to transport and communications, health and sanitation, drainage and irrigation, education, social welfare, housing and agricultural development. 322 miles of metalled roads, 1,204 miles of treated roads, 2,260 miles of kutcha roads, 66 bridges and 4,020 culverts were constructed under the Rural Works Programme. In the health sector, 5,711 hand pumps were installed and 278 tanks constructed. Besides, 352 civil dispensaries and 118 sanitary drains were built. Under the irrigation programme, 110 tubewells, 777 open surface wells and 267 karazes were bored. Under the educational and social welfare programmes, 1,902 schools and 558 community centres were constructed. In the agricultural development programme, 150 veterinary dispensaries were opened and facilities were provided to the cultivators for buying fertilizers, seeds, tools and live-stock. A detailed picture of physical achievements in West Pakistan is presented in Table 17.2 (Statistical Appendix).

Physical Achievements in the Central Programme

17.9 The Works Programme under the Central Government pertained to the development of communications facilities, housing, schools, irrigation systems,

health facilities, water supply and sanitation in Gilgit, Baltistan and Azad Kashmir. In Azad Kashmir, 114 miles of vehicular roads, 32 miles of pony tracks and 35 bridges were constructed in the communications sector and 86 buildings were constructed to house District, Tehsil and Union Council Offices. During the same period, 130 school buildings were constructed including high, middle, primary and girls schools. Other projects which were undertaken during the two years, included installation of 18 lift pumps, opening of 9 dispensaries and digging of 18 water supply tanks.

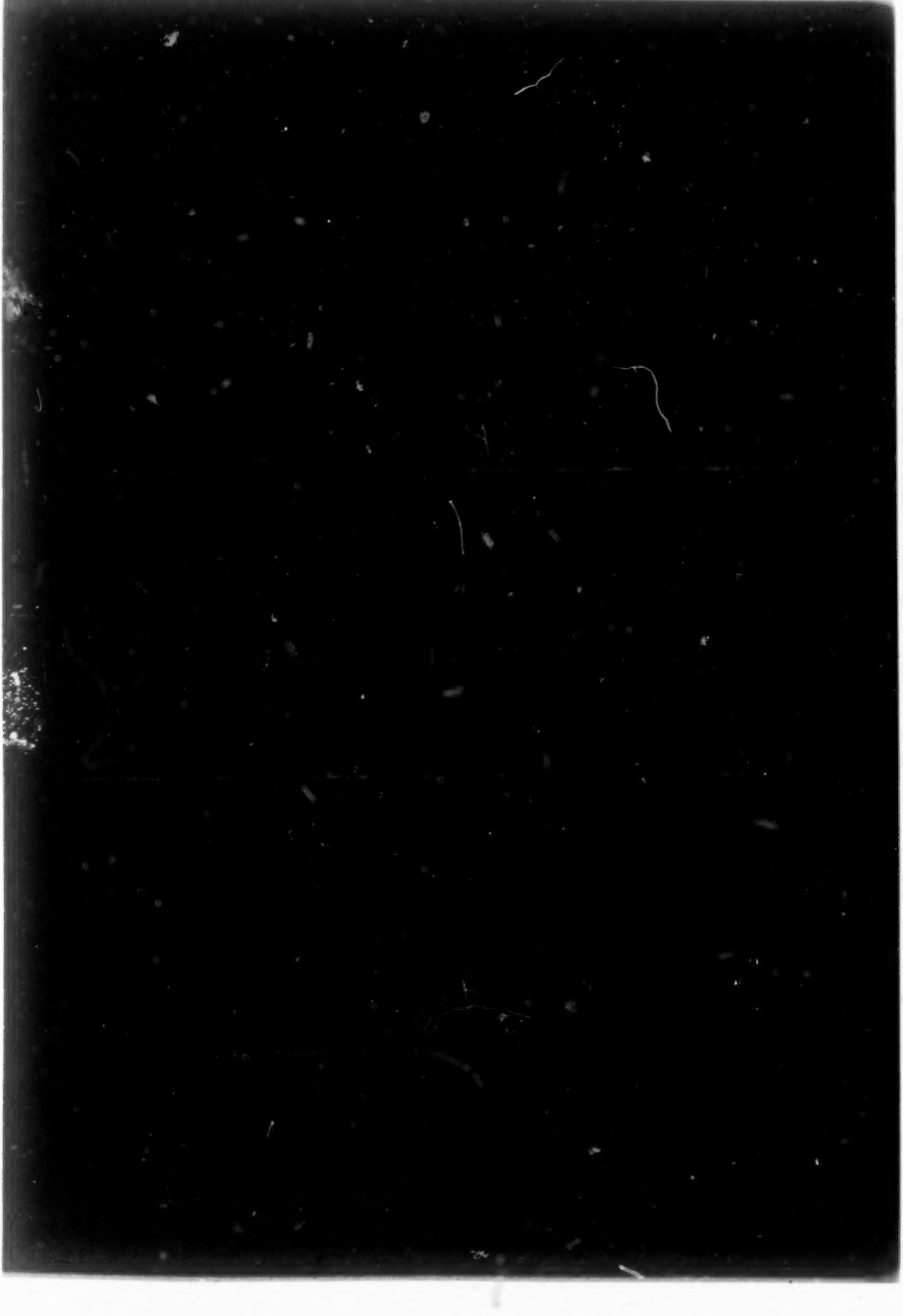
17.10 In the Gilgit and Baltistan Agencies, 29 schemes were undertaken during the period under review in the transport and communications sector for the construction of bridle path, pony tracks, foot bridges and forest feeder roads. Besides, 101 schemes were completed for the provision of irrigation canals, water tanks and bowlies. A total of 23 schemes for the construction of school buildings, union council office buildings and veterinary dispensary buildings, were also completed. A detailed picture of physical achievements in the Central Programme is presented in Table 17.3 (Statistical Appendix).

Overall Financial Outlay

17.11 The total development outlay for the Works Programme, during the period under review, amounted to Rs 334.59 million as compared to Rs 1,820.00 million provided for the Third Plan period, thereby showing an overall implementation of 18.4 per cent. The implementation was somewhat better in East Pakistan than in West Pakistan. A sum of Rs 221.63 million was spent in East Pakistan against the Plan target of Rs 1,200.00 million showing an implementation of 18.5 per cent. In West Pakistan, the total expenditure during the period amounted to Rs 107.30 million or 17.9 per cent of the Plan allocation of Rs 600.00 million. The Central Programme was small but its implementation of Rs 5.66 million was at the rate of 28.3 per cent of Rs 20.00 million allocated for the Plan period. In view of the improved flow of funds for the Works Programme, the ADP allocations for 1967/68 have been raised to Rs 170.00 million for East Pakistan, Rs 100.00 million for West Pakistan and Rs 4.00 million for the Northern Areas under the Central Government. This would imply that total implementation during the first three years would go up to 34 per cent. This is a significant acceleration. However, a much larger effort would have to be made in the final two years of the Plan if Plan targets are to be fully met. Since the programme in the past two years has suffered generally due to the delay in the release of funds, a streamlining of the financial system will be needed. An overall picture of financial targets and achievements in East Pakistan, West Pakistan and the Central Programme separately is presented in Tables 17.4, 17.5, 17.6, 17.7 and 17.8 (Statistical Appendix).

PART III

STATISTICAL APPENDIX



3.1 DEVELOPMENT EXPENDITURE (BOTH CENTRAL AND PROVINCI

Sector	1965/66 (Actuals)						1966/67 (Estima		
	East Pakistan			West Pakistan			East Pakistan		
	Prov. Exp.	Central Exp.	Total	Prov. Exp.	Central Exp.	Total	Prov. Exp.	Central Exp.	Total
Agriculture	150	8	158	169	12	181	207	15	222
Manufacturing and Mining	215	39	254	93	41	134	291	53	344
Water and Power ..	348	11	359	463	61	524	631	24	655
Transport and Communications	201	75	276	339	127	466	260	140	400
Physical Planning and Housing	79	76	155	43	79	122	126	72	198
Education and Training ..	82	3	85	55	2	57	152	7	159
Health and Medical Services	75	4	79	56	8	64	78	5	83
Social Welfare Services ..	1	2	3	2	1	3	3	1	4
Manpower Training and Labour	2	—	2	2	—	2	4	—	4
Works Programme	101	—	101	86	2	88	121	—	121
Total:	1,254	218	1,472	1,308	333	1,641	1,873	317	2,190

Note:—See footnote under Table II, Chapter 3, Pa

(Million Rupees)

1965/66 (Actuals)					1966/67 (Estimated Actuals)						(1967/68 Preliminary Estimates)						Total estimated expenditure 1965-68
Pakistan		West Pakistan			East Pakistan			West Pakistan			East Pakistan			West Pakistan			
entral Exp.	Total	Prov. Exp.	Central Exp.	Total	Prov. Exp.	Central Exp.	Total	Prov. Exp.	Central Exp.	Total	Prov. Exp.	Central Exp.	Total	Prov. Exp.	Central Exp.	Total	
8	158	169	12	181	207	15	222	183	17	200	310	25	335	216	29	245	1,341
39	254	93	41	134	291	53	344	89	52	141	348	42	390	123	37	160	1,423
11	359	463	61	524	631	24	655	623	47	670	763	50	813	737	50	787	3,808
75	276	339	127	466	260	140	400	361	271	632	300	200	500	400	220	620	2,894
76	155	43	79	122	126	72	198	75	74	149	154	82	236	102	87	189	1,049
3	85	55	2	57	152	7	159	68	8	76	180	13	193	99	13	112	682
4	79	56	8	64	78	5	83	56	9	65	100	10	110	70	15	85	486
2	3	2	1	3	3	1	4	2	2	4	6	1	7	7	1	8	29
—	2	2	—	2	4	—	4	3	—	3	5	—	5	4	1	5	21
—	101	86	2	88	121	—	121	17	3	20	126	—	126	70	4	74	530
218	1,472	1,308	333	1,641	1,873	317	2,190	1.477	483	1,960	2.292	423	2,715	1,828	457	2,285	12,263

Note:—See footnote under Table II, Chapter 3, Page 13.

3.2 FINANCING OF DEVELOPMENT EXPENDITURE
During 1965—68
(All Pakistan)

(Million Rupees)

	1965/66 (Actuals)	1966/67 (Revised Estimates)	1967/68 (Revised Estimates)
Revenue Surplus	—90	1,426	2,005
Net Capital Receipts ..	268	672	208
Deficit-Financing	1,525	45	337
Foreign Resources	1,410	2,007	2,450
Total ..	3,113	4,150	5,000

3. FINANCING OF DEVELOPMENT EXPENDITURE
During 1965—68
(Centre)

(Million Rupees)

	1965/66 (Actuals)	1966/67 (Revised Estimates)	1967/68 (Revised Estimates)
Revenue Surplus	—548	845	1,347
Net Capital Receipts ..	—57	279	—200
Deficit Financing	1,525	40	262
Foreign Resources	1,410	2,007	2,450
Less Transfer	2,330	3,171	3,859
to Provinces	—1, 79	—2,371	—2,979
Total ..	551	800	880

3.4 FINANCING OF DEVELOPMENT EXPENDITURE
During 1965—68
(East Pakistan)

(Million Rupees)

	1965/66 Actuals)	1966/67 (Revised Estimates)	1967/68 Revised Estimates)
Revenu Surplus	240	247	296
Net Capital Receipts ..	102	215	157
Deficit Financing	—	45	—35
Transfer from Centre ..	912	1,366	1,874
Total	1,254	1,873	2,292

3.5 FINANCING OF DEVELOPMENT EXPENDITURE DURING 1965—68 (WEST PAKISTAN)

(Million Rupees)

	1965/66 (Actuals)	1966/67 (Revised Estimates)	1967/78 (Revised Estimates)
Revenue Surplus	218	334	362
Net Capital Receipts ..	223	178	251
Deficit Financing	—	(—)40	110
Transfer from Centre ..	867	1,005	1,105
Total ..	1,308	1,477	1,828

3.6 FINANCING OF THE GOVERNMENT NON-DEVELOPMENT REVENUE ACCOUNT (ALL PAKISTAN)

(Million Rupees)

	1965/66 (Actuals)	1966/67 (Revised Estimates)	1967/68 (Revised Estimates)
A) Non-Development Expenditure:			
Defence	2,855	2,250	2,180
Administration	859	886	932
Development Departments ..	884	888	1,038
Debt Services	1,033	1,177	1,385
Others	766	629	529
Total (A)	6,397	5,830	6,064
(B) Revenue Receipts:			
(a) Tax Receipts:			
Customs	1,076	1,250	1,400
Central Excise Duties ..	986	1,463	1,928
Sales Tax	788	967	707
Income and Corporation Tax	724	740	850
Land Revenue	299	315	338
Others	525	561	744
Sub- otal (a)	4,398	5,296	5,967

(b) Non-tax Receipts:			
Posts and Telegraphs ..	70	93	113
Currency and Mint ..	60	67	73
Irrigation	28	67	10
Other Revenues	1,751	1,733	1,806
Sub-total (b)	1,909	1,960	2,102
Total (B)	6,307	7,256	8 069
(C) Revenue Surplus (B—A) ..	—90	1,426	2,00

3.7 FINANCING OF THE GOVERNMENT NON-DEVELOPMENT REVENUE ACCOUNT (CENTRE)

(Million Rupees)

	1965/66 (Actuals)	1966/67 (Revised Estimates)	1967/68 (Revised Estimates)
A. Non-Development Expenditure:			
Defence	2,855	2,250	2,180
Administration	235	247	240
Debt Services	460	530	620
Development Departments	231	224	259
Others	420	266	298
Total (A)	4,201	3,517	3,597
B. Revenue Receipts:			
(a) Tax Receipts:			
Customs	1,052	1,221	1,400
Central Excise Duties	823	1,228	1,704
Income and Corporation tax ..	280	261	321
Sales Tax	345	430	180
Other taxes	45	51	136
Sub-total (a)	2,545	3,191	3,741

[b] Non-tax Receipts:			
Post and Telegraphs	70	93	113
Currency and Mint	60	67	73
Other Revenues	978	1,011	1,017
Sub-total (b) ..	1,108	1,171	1,203
Total—(B) ..	3,653	4,362	4,944
(C) Revenue Surplus (B—A)	—548	845	1,347

3.8 FINANCING OF GOVERNMENT NON-DEVELOPMENT REVENUE ACCOUNT (EAST PAKISTAN)

(Million Rupees)

	1965/66 (Actuals)	1966/67 (Revised Estimates)	1967/68 (Revised Estimates)
A. Non-Development Expenditure:			
Administration	275	283	333
Development Departments ..	206	227	293
Debt Services	266	321	396
Others	158	161	20
Total (A)	905	992	1,042
B. Revenue Receipts:			
(a) Tax Receipts:			
Customs	14	18	—
Central Excise Duties ..	89	133	121
Sales Tax	200	260	238
Income and Corporation Tax	248	253	283
Land Revenue	134	144	160
Other Taxes	159	149	208
Sub-total(a)	844	957	1,010
(b) Non-tax receipts: ..			
Irrigation	—	—	10
Other Revenues	301	282	318
Total (B)	1,145	1,239	1,338
C. Revenue Surplus (B—A) ..	240	247	296

3.9 FINANCING OF GOVERNMENT NON-DEVELOPMENT REVENUE ACCOUNT (WEST PAKISTAN)

(Million Rupees)

	1965/66 (Actuals)	1966/67 (Revised Estimates)	1967/68 (Revised Estimates)
A. Non-Development Expenditure:			
Administration	349	356	359
Development Departments ..	447	437	486
Debt Services	307	326	369
Others	188	202	211
Total (A)	1,291	1,321	1,425
B. Revenue Receipts:			
(a) Tax Receipts:			
Customs	10	11	—
Central Excise Duties ..	74	102	103
Sales Tax	243	277	289
Income and Corporation Tax	196	226	246
Land Revenue	165	171	178
Other Taxes	321	361	400
Sub-total (a)	1,009	1,148	1,216
(b) Non-tax Receipts:			
Irrigation	28	67	100
Other Revenues	472	440	471
Sub-total (b) ..	500	507	571
Total (B) ..	1,509	1,655	1,787
C. Revenue Surplus (B—A) ..	218	334	362

3.10 FINANCING OF GOVERNMENT NON-DEVELOPMENT CAPITAL ACCOUNT (ALL PAKISTAN)

(Million Rupees)

	1965/66 (Actuals)	1966/67 (Revised Estimates)	1967/68 (Revised Estimates)
A. Capital Receipts:			
Unfunded Debt	171	152	227
Recovery of Loans ..	136	206	215
Posts and Telegraphs Reserve Funds	24	26	30
Railways and other Reserve Funds	529	534	499
Borrowing from non-banking sources	35	67	85
Other receipts	392	656	474
Total (A) ..	1,287	1,641	1,530
B. Capital Liabilities ..			
Foreign Debt Repayment ..	117	114	143
Repayment of Food Loan ..	—	—	137
Others	902	855	1,042
Total (B)	1,019	969	1,322
Net Capital Receipts (A—B)	268	672	208

3.11 FINANCING OF GOVERNMENT NON-DEVELOPMENT CAPITAL ACCOUNT (CENTRE)

(Million Rupees)

	1965/66 (Actuals)	1966/67 (Revised Estimates)	1967/68 (Revised Estimates)
A. Capital Receipts:			
Unfunded debt	127	118	185
Recovery of loans	29	75	92
Post and Telegraphs Reserve Funds	24	26	30
Other Reserve Funds ..	342	417	446
Borrowing from non-bank sources	35	67	75
Others	405	545	294
Total (A)	962	1,248	1,122

B. Capital Liabilities:			
Foreign Debt Repayment ..	117	114	143
Repayment of Food Loans ..	—	—	137
Others	902	855	1,042
Total ..	1,019	969	1,32
Net Capital Receipts (A—B) ..	—57	279	—200

3.12 FINANCING OF GOVERNMENT NON-DEVELOPMENT CAPITAL ACCOUNT (EAST PAKISTAN)

(Million Rupees)

	1965/66 (Actuals)	1966/67 (Revised Estimates)	1967/68 (Revised Estimates)
Unfunded Debt	11	—	7
Recovery of Loan ..	44	50	40
Railway Reserve Funds ..	100	18	16
Others	—53	147	94
Total:	102	215	157

3.13 FINANCING OF GOVERNMENT NON-DEVELOPMENT CAPITAL ACCOUNT (WEST PAKISTAN)

(Million Rupees)

	1965/66 (Actuals)	1966/67 (Revised Estimates)	1967/68 (Revised Estimates)
Unfunded Debt	33	34	35
Recovery of Loans	63	81	83
Railway Reserve Funds ..	87	99	37
Market Loans	—	—	10
Others	40	—36	86
Total ..	223	178	251

4.1 STATEMENT SHOWING TOTAL INVESTMENT APPROVED BY ALL SANCTIONING AGENCIES DURING THIRD PLAN. (From 1-7-1965 to 31-12-1967)

(Million Rupees)

	New capacity			B.M.&. Replacement*			Total (New capacity+ B. M & R)
	Total	Internal	External	Total	Internal	External	
(i) East Pakistan	955.4	495.8	459.6	66.0	44.7	21.3	1,021.4
(ii) West Pakistan	3,485.9	1,633.4	1,852.5	203.3	70.0	133.3	3,689.2
Total ..	4,441.3	2,129.2	2,312.1	269.3	114.7	154.6	4,710.6

*Balancing, Modernization and Replacement.

Note:—This investment of Rs 4,710.6 million works out to about 57 per cent of the investment target of the Plan of Rs. 8,300 million and 43 per cent of the total allocation of Rs. 10,885 million included in the Investment Schedule for the Third Plan.

5.1 CONSOLIDATED BALANCE OF PAYMENTS STATEMENT FOR 1964/65 — 1967/68

(Million Rupees)

	1964/65	1965/66	1966/67	1967/68
A. Total Payments	5,247	5,089	6,503	6,600
I. Development ..	3,160	2,642	3,370	3,550
1. Capital goods ..	2,050	1,800	2,120	2,250
2. Raw-materials for capital goods	740	560	890	900
3. Freight charges and Insurance	309	205	260	300
4. Technical Assistance ..	61	77	100	100
II. Non-Development ..	2,087	2,447	3,133	3,050
1. Consumer goods ..	572	548	843	600
Food: Non-PL 480 ..	(252)	(224)	(420)	(150)
Others	(320)	(324)	(423)	(450)
2. Raw-materials for consumer goods	637	484	704	680
3. Freight charges and Insurance	149	155	210	160
4. Invisibes	383	849	860	850
5. Debt servicing of which ..	346	411	516	620
debt repayment ..	(139)	(215)	(315)	(367)
6. Repayment of short term food credits	—	—	—	140
***B.* Financed by**				
I. Own Earnings ..	3,015	3,394	3,580	3,850
1. Exports	2,404	2,687	2,920	3,210
2. Invisibles	611	707	660	640

II. Foreign Grants and Loans ..	1,936	1,891	2,414	2,620
1. Project Assistance ..	1,055	1,262	1,230	1,500
2. Commodity Aid ..	820	552	917	950
3. Technical Assistance ..	61	77	100	100
4. Food Grants and Short Term-Credits ..	—	—	167	70
III. Foreign Private Investment	77	87	92	130
IV. Changes in gold and foreign exchange reserves including ..	284	(—)312	470	—
drawings from the IMF ..	(76)	(175)	—	—
V. Short term movements and errors and ommissions ..	(—)65	29	(—)53	—
Total (Financing:) ..	5,247	5,089	6,503	6,600

Note:—The above table does not include PL-480 and Indus Basin Imports.

5.2A FOREIGN EXCHANGE RECEIPTS FOR 1964/65—1967/68

(Million Rupees)

	1964/65 (Actuals)	1965/66 (Actuals)	1966/67 (Actuals)	1967/68 (Estimates)
A. Primary Commodities				
1. Raw Jute	925.9	977.8	909.2	912.0
2. Raw Cotton	330.5	286.3	260.9	405.0
3. Hides and Skins ..	61.2	30.0	13.3	13.0
4. Raw Wool	78.1	67.4	39.8	50.0
5. Rice	116.7	127.0	149.8	185.0
6. IRR/Rice	—	—	—	—
7. Fish (fresh and dried) ..	82.3	61.3	58.2	25.0
8. Others	106.0	152.9	170.3	185.0
Sub-total (A) ..	1,695.7	1,702.7	1,601.5	1,775.0
B. Manufactured Products				
9. Jute Manufactures ..	319.9	591.7	630.8	662.0
10. Cotton Manufactures ..	188.3	229.6	256.4	305.0
11. Paper and Newsprint ..	6.1	5.1	4.5	5.0
12. Other Manufactures ..	260.9	239.7	426.8	463.0
Sub-total (B) ..	775.2	1,066.1	1,318.5	1,435.0
C. Invisible Earnings:	611.9	707.4	660.0	640.0
Total (Earnings) ..	3,082.8	3,476.2	3,580.0	3,850.0

5.2B EXPORT OF OTHER PRIMARY COMMODITIES

(Million Rupees)

	1964/65 (Actuals)	1965/66 (Actuals)	1966/67 (Actuals)	1967/68 (Estimates)
1. Cotton Waste ..	29.0	21.5	17.2	15.0
2. Oil Cake	16.7	21.3	25.8	25.0
3. Sheep Casing ..	10.1	12.0	11.7	12.0
4. Bones, Bone Meal Horns, Hooves etc. ..	12.9	20.1	16.3	20.0
5. Gum	13.6	26.9	22.9	25.0
6. Fruits	3.8	2.5	1.9	5.0
7. Tobacco	—	0.8	4.8	5.0
8. Fresh Frogs' Legs ..	0.4	1.4	5 8	6.0
9. Chrome Ore ..	2.7	20.0	16.2	20.0
10. Sann Hemp ..	1.8	1.5	1.0	2.0
11. Seeds	2.3	5.0	6.4	6.0
12. Chillies	1.0	4.4	5.8	6.0
13. Salt	2.6	1.4	1.9	3.0
14. Other Miscellaneous ..	9.1	14.1	32.6	35.0
Total: ..	106.0	152.9	170.3	185.0

5·2C EXPORT OF OTHER MANUFACTURED GOODS

(Million Rupees)

	1964/65 (Actuals)	1965/66 (Actuals)	1966/67 (Actuals)	1967/68 (Estimates)
A. Manufactured Products based on Agricultural Raw Materials				
1. Carpets and Rugs	12.3	13.7	22.3	25.0
2. Tanned Leather	31.1	77.2	113.4	120.0
3. Readymade Garments and Hosiery goods ..	12.4	21.8	31.5	37.0
4. Molasses	—	2.8	8.5	10.0
5. Woollen Manufactures ..	5.9	6.8	3.2	5.0
6. Confectionary and Biscuits	3.5	1.8	1.9	3.0
7. Miscellaneous	25.2	6.5	37.2	40.0
Sub-total (A) ..	90.4	130.6	218.0	240.0
B. Manufactured Products based on Non-Agricultural Domestic Materials				
1. Sports goods	22.1	21.6	23.0	25.0
2. Footwear and Leather goods	10.4	8.3	16.2	20.0
3. Paints and Varnishes ..	3.9	2.1	1.7	2.0
4. Stationery	1.1	1.0	0.6	1.0
5. Musical goods	1.1	1.1	1.2	1.5
6. Toilet requisites and cosmetics	2.4	4.3	3.3	4.0
7. Handicrafts	1.6	2.3	3.9	4.0
8. Cutlery	0.8	1.1	1.6	2.0
9. Plastic goods	0.4	0.7	0.6	1.0
10. Books and Magazines ..	0.7	0.7	0.8	1.0
11. Cement	0.1	0.1	4.8	5.0
12. Marble chips and slabs ..	—	2.1	2.2	2.5
13. Gypsum	2.3	1.5	—	1.0
14. Miscellaneous	36.0	8.4	42.1	43.0
Sub-total (B) ..	82.9	55.3	102.0	113.0

C. Manufactured Products based primarily on Imported Materials					
1.	Drugs, chemicals and pharmaceuticals	14.7	7.1	8.5	10.0
2	Motor spirit and furnace oil	—	9.1	19.8	20.0
3.	Surgical goods	6.8	7.5	10.4	12.0
4.	Electrical goods	4.5	3.5	12.5	13.0
5.	Cycle tyres	1.9	1.2	1.0	1.0
6.	Diesel Engines and Pump sets	3.2	1.3	1.4	1.0
7.	Hardware and Sanitary Fittings	0.3	2.1	1.1	1.0
8.	Films	0.4	0.3	0.5	0.5
9.	Utensils and Aluminium wares	0.3	0.5	0.3	0.5
10.	Miscellaneous	55.5	21.2	51.3	51.0
	Sub-total (C) ..	87.6	53.8	106.8	110.0
	Total (A+B+C) ..	260.9	239.7	426.8	463.0

5.3 DIRECTION OF EXPORTS, 1964/65—1966/67

(Million Rupees)

	1964/65	%	1965/66	%	1966/67	%
A. Developed Countries ..	1,179.5	48.7	1,641.7	59.2	1,491.8	52.7
1. Australia ..	54.6	2.2	84.0	3.0	96.3	3.4
2. Belgium ..	91.4	3.7	169.0	6.1	109.5	3.9
3. Canada ..	21.8	0.9	21.0	0.8	16.5	0.5
4. France ..	77.0	3.1	109.0	3.9	76.7	2.7
5. West Germany ..	71.1	2.9	110.0	4.0	111.0	3.9
6. Italy	34.1	1.4	54.0	1.9	63.9	2.2
7. Japan ..	131.4	5.4	131.0	4.7	111.7	4.0
8. Netherlands ..	34.1	1.4	46.0	1.7	48.2	1.7
9. U. K. ..	306.9	12.4	474.0	17.1	398.3	14.1
10. U.S.A. ..	190.5	7.8	312.0	11.3	291.8	10.3
11. Others ..	166.6	6.8	131.0	4.7	167.9	6.0
B. Developing Countries ..	964.1	39.2	803.0	29.0	842.1	30.0
12. East Africa ..	32.3	1.3	53.0	1.9	—	—
13. Other African countries	159.9	6.5	184.0	6.7	199.2	7.5
14. Indonesia ..	23.1	0.9	59.0	2.1	2.4	0.1
15. India	220.3	9.0	20.7	0.7	—	—
16. Burma ..	99.9	3.9	37.0	1.3	62.3	2.2
17. Malaysia ..	21.5	0.9	27.0	1.0	9.5	0.3
18. Other Asian countries	213.8	8.7	183.0	6.6	301.4	10.6
19. Latin America ..	45.6	1.8	71.0	2.6	47.7	1.7
20. Turkey ..	6.8	0.3	12.0	0.4	30.3	1.0
21. Iran	12.1	0.5	6.0	0.2	9.9	0.3
22. U. A. R. ..	22.3	0.9	17.0	0.7	15.9	0.5
23. Other M.E. countries	110.5	4.5	134.0	4.8	163.5	5.8
C. Socialist Countries ..	264.7	10.8	323.0	11.7	161.8	16.3
24. China	180.6	7.4	146.0	5.3	168.0	6.0
25. U.S.S.R. ..	11.7	0.5	68.0	2.5	126.7	4.4
26. Others ..	72.4	2.9	109.0	3.9	167.1	5.9
D. Rest of the world ..	47.9	2.0	2.0	0.1	30.7	1.1
Total ..	2,456.2	100	2,769.0	100	2,826.4	100

5.4 MAIN ITEMS OF COMMODITY IMPORTS [C.I.F.] BY BROAD CATEGORIES

(Million Rupees)

	1964/65	1965/66	1966/67
(A) *Consumer Goods*			
(a) Food: PL-480	556	300	350
Others	252	224	420
(b) Petroleum Products ..	31	65	44
(c) Medical, Pharmaceutical Products and Toilet articles	129	80	91
(d) All other consumer goods ..	324	269	236
Sub-total (A) ..	1,292	938	1,141
(B) *Raw Materials for Consumer Goods*			
(a) Dyeing and tanning materials	118	64	88
(b) Textile fibres	89	41	94
(c) Inedible animal and vegetable matter	27	13	18
(d) Oil and fats: PL-480 ..	155	120	87
Others ..	61	64	65
(e) Other materials: PL-480 ..	41	—	—
Others ..	287	365	366
Sub-total (B) ..	778	667	718
(C) *Raw Materials for Capital Goods*			
(a) Crude minerals	21	7	11
(b) Coal, Coke, Lubricants and Fuels ..	253	287	260
(c) Inorganic Chemicals ..	83	37	69
(d) Iron and Steel, unworked ..	223	94	196
(e) Non-ferrous metals, unworked	39	26	179
(f) Fertilizers	—	105	191
(g) Others	134	28	107
Sub-total (C) ..	753	584	1,013

(D) *Capital Goods*			
(a) Steel, shaped	580	331	384
(b) Non-ferrous metals, shaped	58	34	55
(c) Finished structural parts ..	71	46	56
(d) Machinery, transport equipment, etc. ..	1,761	1,714	1,731
(e) Others	158	194	94
Sub-total (D) ..	2,628	2,319	2,320
Total (A+B+C+D) ..	5,451	4,508	5,192

Source. Central Statistical Office.

5.5 FOREIGN AID PLEDGED BY CONSORTIUM AND NON-CONSORTIUM SOURCES DURING 1965/66—1967/68

(Million dollars)

	1965/66	1966/67	1967/68	Total (1965-68)
A. Through Consortium				
1. Belgium	—	0.5	0.5	1.0
2. Canada	25.4	25.4	25.4	76.2
3. France	10.0	10.0	10.0	30.0
4. Germany	38.1	37.5	37.5	113.1
5. Italy	20.0	30.0	15.0	65.0
6. Japan	30.0	30.0	30.0	90.0
7. Netherlands	4.8	4.4	4.4	13.6
8. U. K.	22.4	22.4	19.2*	64.0
9. U. S. A.	50.0	140.0	165.0	355.0
10. U S. (EXIM Bank) ..	—	—	35.0	35.0
11 World Bank/IDA ..	49.0	35.0	161.0	245.0
Sub-total (A) ..	249.7	335.2	503.0	1,087.9
B. Outside Consortium				
1. Canada (Wheat) ..	3.7	6.9	7.9	18.5
2. France	—	10.0	—	10.0
3. Italy	—	2.0	—	2.0
4. Suppliers' Credit ..	1.0	27.9	7.6	36.5
Sub-total (B) ..	4.7	46.8	15.5	67.0
Total (A+B) ..	254.4	382.0	518.5	1,154.9

* The original pledges have been revised due to U.K. devaluation.

5.6 COMMITMENTS AND DISBURSEMENTS OF PROJECT AID

(Million dollars)

Countries	Pipe-line as on 30-6-65	1965/66		Pipeline as on 30-6-66	1966/67		Pipeline as on 30-6-67
		Commit-ments	Disburse-ments.		Commit-ments	Disburse-ments	
A. Consortium Sources							
1. Canada ..	14.5	22.4	15.4	21.5	24.4	11.6	34.3
2. Germany	52.9	25.1	33.6	44.4	44.7	26.4	62.7
3. Japan ..	60.7	21.0	32.3	49.4	21.0	13.9	56.5
4. Netherlands	8.4	—	2.4	6.0	5.2	7.4	3.8
5. U. K. ..	36.1	0.9	17.2	19.8	21.3	23.6	17.5
6. Belgium ..	0.5	—	0.5	—	0.6	—	0.6
7. France ..	21.9	9.7	5.2	26.4	20.6	7.4	39.6
8. Italy ..	3.4	23.5	1.2	25.7	11.2	11.4	25.5
9. U.S.A. ..	186.2	36.7	56.9	166.0	14.1	42.2	137.9
10. EXIM Bank	2.6	4.3	2.4	4.5	2.5	3.9	3.1
11. I.B.R.D. ..	70.7	30.0	25.0	75.7	35.0	22.5	88.2
12. I.D.A. ..	176.3	32.2	20.4	188.1	2.8	35.6	155.3
Sub-total (A) ..	634.2	205.8	212.5	627.5	203.4	205.9	625.0
B. Non-Consortium Sources							
1. Australia	0.4	—	0.3	0.1	—	—	0.1
2. China ..	—	9.0	—	9.0	—	—	9.0
3. Denmark	7.4	2.2	6.8	2.8	—	—	2.8
4. Japan ..	10.5	—	0.6	9.9	0.9	3.8	7.0
5. Sweden ..	—	5.1	—	5.1	1.8	0.2	6.7
6. U.S.S.R. ..	17.7	32.9	8.4	42.2	3.3	9.2	36.3
7. Czechoslovakia	—	17.2	—	17.2	—	2.7	14.5
8. Poland ..	—	4.1	—	4.1	—	2.0	2.1
9. Switzerland	—	2.3	—	2.3	6.8	1.2	7.9
10. Yugoslavia	23.1	7.4	8.2	22.3	21.6	3.3	40.6
11. Suppliers Credit	30.8	1.0	25.6	6.2	27.9	26.4	7.7
12. I.F.C. ..	5.8	—	2.5	3.3	3.2	4.6	1.9
Sub-total (B) ..	95.7	81.2	52.4	124.5	65.5	53.4	136.6
Total (A+B)	729.9	287.0	264.9	752.0	268.9	259.3	761.6

5.7 SECTORAL COMMITMENTS AND DISBURSEMENTS OF PROJECT AID DURING 1965/66—1966/67

(Million dollars)

Sector	Commitments		Disbursements	
	1965/66	1966/67	1965/66	1966/67
A. Public Sector				
1. Agriculture	39.5	—	4.1	1.7
2. Water and Power ..	89.6	60.5	50.3	45.4
3. Transport	26.1	30.3	43.5	35.2
4 Industries	37 0	51.2	33.6	37.1
5. Housing	3.1	3.8	2.0	8.3
6. Education	13.0	—	2.2	2.3
7. Health	—	—	7.3	—
Sub-total (A) ..	208.3	145 8	143.0	130.0
B. Private Sector				
1. Agriculture	—	—	4.5	11.4
2. Water and Power ..	—	21.5	2.2	4.2
3. Industries	52.3	41.1	75.1	65.0
4. Transport	26.3	60.5	40.1	48.7
Sub-total (B) ..	78.7	123.1	121.9	129.3
Total (A+B) ..	287.0	268.9	264.9	259.3

5.8 COMMITMENTS AND DISBURSEMENTS OF NON-PROJECT AID

(Million dollars)

Countries	Pipe-line as on 30-6-65	1965/66		Pipeline as on 30-6-66	1966/67		Pipeline as on 30-6-67
		Commit-ments	Disburse-ments.		Commit-ments	Disburse-ments	
A. Consortium Sources							
1. Belgium ..	—	—	—	—	0.5	—	0.5
2. Canada ..	2.2	8.5	4.9	5.8	6.6	8.8	3.6
3. Germany ..	6.7	7.5	6.6	7.6	12.5	5.9	14.2
4. Japan ..	0.4	9.0	0.3	9.1	9.0	0.7	17.4
5. Netherlands	4.6	—	2.6	2.0	—	0.8	1.2
6. U. K. ..	11.0	11.2	6.4	15.8	11.2	13.7	13.3
7. U.S.A. ..	108.3	50.0	79.5	78.8	140.0	110.4	108.4
8. I.D.A. ..	—	25.0	3.8	21.2	25.0	24.3	21.9
Sub-total (A) ..	133.2	111.2	104.1	140.3	204.8	164.6	180.5
B. Non-Consortium Sources							
1. Australia	—	1.6	0.6	1.0	—	—	1.0
2. Canada ..	—	3.7	3.7	—	6.8	5.0	1.8
3. China ..	—	7.9	7.9	—	23.0	23.0	—
Sub-total (B) ..	—	13.2	12.2	1.0	29.8	28.0	2.8
Total (A+B) ..	133.2	124.4	116.3	141.3	234.6	192.6	183.3

8.1A EDUCATION AND TRAINING: PHYSICAL TARGETS AND ACHIEVEMENTS IN EAST PAKISTAN

S.No.	Sub-Sector/Item	Unit	Base year achievement/production in 1964/65	Estimated actual achievement/production in			Third Plan Target (1965—70)	Percentage achievement (Col. 7 of Col. 8)	Proposed Target for 1967/68	Estimated targets for	
				1965/66	1966/67	Total (1965/66—1966/67)				1968/69	1969/70
1	2	3	4	5	6	7	8	9	10	11	12
Primary Education											
1.	Opening of New Primary Schools	Number	69	100	100	200	1,311	15	300	400	411
2.	Improvement of Existing Primary Schools—										
	(a) Completion of schools partially developed under the Second Plan	,,	—	—	2,536	2,536	3,266	77	730	—	—
	(b) Additional schools selected for development under the Third Plan	,,	1,241	239	1,208	1,447	10,481	14	1,005	4,000	4,029
3.	Additional enrolment ..	Million	0.20	0.13	0.15	0.28	3.00	9	0.40	0.45	0.55
Secondary and Higher Secondary Education											
1.	Improvement of Junior High Schools	Number	—	—	—	—	250	—	33	117	100
2.	General Improvement and Development of High Schools ..	,,	82	8	115	123	739	17	388	152	76
3.	Provincialization of Non-Govt. High Schools.	,,	1	—	—	—	65	—	20	25	20
4.	Opening of New Government High Schools. ..	,,	2	2	5	7	19	37	9	3	—

1	2	3	4	5	6	7	8	9	10	11	12
5.	Further development of Pilot Secondary Schools ..	Number	—	—	—	—	21	—	5	10	6
6.	Introduction of science as compulsory subject in Secondary Schools	„	25	250	146	396	1,770	22	600	600	174
7.	Introduction of Craft Courses in Secondary Schools ..	„	163	—	318	318	2,190	19	312	1,000	560
8.	Introduction of Agricultural Education in Primary and Secondary Schools	„	232	252	305	557	557	100	—	—	—
9.	Introduction of Religious Education in Missionary Schools ..	„	36	8	16	24	112	21	16	72	—
10.	Improvement of Intermediate Colleges	„	22	12	9	21	83	25	33	19	10
11.	Additional enrolment at Middle stage	„	42,000	42,000	58,000	100,000	400,000	25	80,000	100,000	120,000
12.	Additional enrolment at High School stage	„	33,000	22,000	23,000	45,000	125,000	36	25,000	25,000	30,000
13.	Additional enrolment at higher secondary stage	„	10,000	6,000	8,000	14,000	60,000	23	12,000	16,000	18,000
Teacher Education											
1.	Improvement of existing Teachers Training College including Education Extension Centre	„	—	—	—	—	6	—	3	2	1
2.	Improvement of Existing Junior Teacher Training College ..	„	—	—	—	—	3	—	1	1	1
3.	Improvement of Primary Training Institutes	„	—	—	—	—	47	—	16	20	11

4. Establishment of New Teachers Training College	Number	1	—	1	1	1	100	—	—	—
5. Establishment of New Junior Teachers Training College ..	,,	1	—	1	1	3	33	1	1	—
6. Establishment of Primary Training Institutes	,,	4	—	—	—	2 (for women)	—	1	1	—
7. Establishment of Primary Training Centres	,,	10	—	—	—	13	—	10	3	—
8. Annual output of trained primary teachers ..	,,	4,200	4,200	4,200	—	8,600	49	6,000	7,000	8,600
9. Annual output of trained secondary teachers	,,	1,125	1,125	1,125	—	1,700	66	1,375	1,575	1,700
Technical Education										
1. Establishment of engineering colleges at Chittagong and Khulna	,,	—	—	—	—	2	—	1	—	1
2. Polytechnic Institutes—										
(a) Establishment of new institutes (one at Jodeypur and one for women)	,,	—	—	—	—	2	—	—	1	1
(b) Upgrading of teachnical institutes into polytechnics.	,,	—	—	—	—	13	—	5	4	4
3. Expansion of existing polytechnic institutes at Dacca, Chittagong, and Khulna	,,	—	—	—	—	3	—	1	1	1
4. Establishment of Commercial Institutes at Dacca, Chittagong and Khulna.	,,	—	—	—	—	3	—	1	1	1
5. Establishment of an Institute of Graphic Arts	,,	—	—	—	—	1	—	—	1	—

1	2	3	4	5	6	7	8	9	10	11	12
6.	Establishment of an Institute of Industrial Arts and Design ..	Number	—	—	—	—	1	—	—	—	1
7.	Establishment of an Institute of Food and Technology ..	„	—	—	—	—	1	—	—	—	1
8.	Establishment of Vocational Schools	„	—	—	17	17	72	23	—	25	30
9.	Annual output of graduate engineers..	„	201	223	250	—	400	62	350	400	400
10.	Annual output of Technicians	„	725	750	1,050	—	1,700	62	1,150	1,350	1,700
Higher Education											
A. Colleges											
1.	Improvement and development of Degree Colleges	„	—	—	15	15	69	22	26	15	13
2.	Provincialization of Degree Colleges	„	—	1	1	2	13	15	5	3	3
3.	International House ..	„	—	—	1	1	1	100	—	—	—
B. Universities											
1.	Establishment of New Universities	„	—	—	1	1	2	50	—	1	—
Scholarships											
1.	Internal Scholarships (including talent scheme scholars) ..	„	16,901	17,378	17,378	—	34,297	50	31,750	29,574	34,297
2.	Foreign Training of Teachers	„	85	—	—	—	218	—	60	88	70

8.1B EDUCATION AND TRAINING: PHYSICAL TARGETS AND ACHIEVEMENTS IN WEST PAKISTAN

S.No.	Sub-Sector/Item	Unit	Base year achievement/production in 1964/65	Estimated actual achievement/production in			Third Plan Target (1965—70)	Percentage achievement (Col. 7 of Col. 8)	Proposed Target for 1967/68	Estimated targets for	
				1965/66	1966/67	Total (1965/66-1966/67)				1968/69	1969/70
1	2	3	4	5	6	7	8	9	10	11	12
Primary Education											
1.	Opening of New Primary Schools	Number	1,690	—	1,000	1,000	25,000	4	3,980	10,000	10,020
2.	Improvement of existing Primary Schools	,,	—	—	1,500	1,500	12,000	12.5	1,500	4,500	4,500
3.	Additional enrolment	Million	0.30	0.10	0.13	0. 23	2.80	8	0.20	0.33	0.50
Secondary and Higher Secondary Education											
1.	Improvement of existing High Schools										
	(a) Construction of building for existing high schools	,,	—	—	—	—	10	—	2	4	4
	(b) Construction of additional rooms at High Schools	,,	—	—	200	200	800	25	90	300	210
	(c) Constructions of Arts/Drawing Rooms at High Schools	,,	—	—	25	25	200	12.5	24	100	51
	(d) Provision of scientific equipment and furniture at High Schools	,,	—	—	67	67	300	22	125	108	—
	(e) Provision of Library Service in existing High Schools	,,	—	40	72	112	200	56	18	70	—

1	2	3	4	5	6	7	8	9	10	11	12
	(f) Introduction of science courses in existing High Schools	Number	—	—	105	105	780	13	104	300	271
	(g) Provision of Hostels ..	,,	—	—	—	—	50	—	6	22	22
	(h) Introduction of diversified courses in High Schools—										
	(i) Introduction of Industrial Arts Courses	,,	—	—	16	16	75	21	7	30	22
	(ii) Introduction of Commercial/Agricultural Courses	,,	—	—	6	6	50	12	12	20	12
	(iii) Introduction of Home Economics Courses	,,	—	—	12	12	75	16	12	30	21
2.	Upgrading of Primary Schools to Middle Standard ..	,,	250	—	130	130	1,600	8	150	650	670
3.	Establishment of High Schools	,,	55	8	48	56	240	23	72	60	52
	(a) By upgrading of middle schools to high standard ..	,,	(30)	(—)	(15)	(15)	(100)	(15)	(21)	(32)	(32)
	(b) By opening of New High Schools	,,	(25)	(—)	(25)	(25)	(100)	(25)	(27)	(28)	(20)
	(c) By opening Comprehensive High Schools	,,	(—)	(8)	(8)	(16)	(40)	(40)	(24)	(—)	(—)
4.	Improvement of existing Intermediate Colleges— ..										
	(a) Provision of scientific equipment and furniture at Intermediate Colleges ..	,,	—	—	18	18	40	45	10	12	—
	(b) Introduction of I.Sc. courses at Intermediate Colleges ..	,,	—	—	6	6	30	20	9	6	9

(c) Improvement of Library Services at Intermediate Colleges	Number	—	—	—	—	30	—	6	15	9
(d) Provision of Hostels at Intermediate Colleges ..	,,	—	—	—	—	24	—	—	15	9
5. Opening of New Intermediate Colleges	,,	—	2	3	5	51	10	14	20	12
6. Additional enrolment at Middle School stage ..	,,	53,000	50,000	70,000	120,000	500,000	24	105,000	125,000	150,000
7. Additional enrolment at High School stage	,,	27,000	20,000	23,000	43,000	125,000	34	25,000	27,000	30,000
8. Additional enrolment at Higher Secondary stage	,,	8,000	10,000	12,000	22,000	75,000	29	15,000	18,000	20,000
Teachers Education										
1. Improvement of existing institutions for the training of primary school teachers (Normal Schools)	,,	—	—	—	—	40	—	5	15	20
2. Establishment of New Institutions for the training of primary school teachers (Normal Schools) ..	,,	3	—	—	—	5	—	—	5	—
3. Establishment of New Training Colleges	,,	—	—	—	—	3	—	—	—	3
4. Addition of research units at training colleges and normal schools (3 colleges +15 normal schools)*	,,	—	—	—	—	18	—	—	—	3

*Under the original Plan the target was 20,000 but, in view of the Government decision to make the same teachers work in two shifts, the existing size of training programme is considered adequate.

1	2	3	4	5	6	7	8	9	10	11	12
5.	Annual output of trained primary teachers	Number	10,400	10,400	10,400	10,400	10,400	—	10,400	10,400	10,400
6.	Annual output of trained Secondary Teachers	„	2,410	2,609	2,696	2,696	3,500	77	2,636	2,800	3,500
Technical Education											
1.	Expansion of Existing Polytechnics	„	—	—	—	—	8	—	8	—	—
2.	Establishment of New Polytechnics—	„									
	(a) Polytechnics with 6 Technologies	„	—	—	—	—	2	—	1	1	—
	(b) Polytechnics with 3 Technologies.	„	—	—	—	—	10	—	4	6	—
	(c) Women Polytechnics ..	„	—	—	—	—	2	—	1	1	—
3.	Establishment of Vocational Schools—										
	(a) Boys	„	—	—	—	—	25	—	5	10	10
	(b) Girls ..	„	—	—	—	—	10	—	—	5	5
4.	Development of existing Industrial Schools for Boys and Girls. (Boys 9+Girls 23) ..	„	—	—	—	—	32	—	—	5	—
5.	Development of existing Commercial Institutes—										
	(a) Construction of Building ..	„	—	—	—	—	5	—	—	3	2
	(b) Provision of equipment ..	„	—	—	—	—	25	—	5	10	10

6. Output of graduate engineers	Number	413	537	681	1,218	3,800	32	802	837	873
7. Output of Technicians ..	,,	1,269	1,330	1,422	2,752	12,000	23	2,000	2,300	2,800
Higher Education (Degree Colleges)										
1. Improvement of Degree Colleges										
(a) Construction of new buildings for existing colleges ..	,,	—	—	—	—	5	—	2	2	1
(b) Provision of scientific equipment and furniture ..	,,	—	—	14	14	20	70	6	—	—
(c) Improvement of Libraries ..	,,	—	—	—	—	60	—	6	25	29
(d) Construction of Hostels ..	,,	—	—	—	—	16	—	7	5	4
(e) Introduction of B.Sc. courses in existing colleges ..	,,	—	—	11	11	30	37	12	7	—
2. Opening of New Colleges for B.Sc. Pass and Honours courses ..	,,	—	—	4	4	10	40	5	1	—
Scholarships										
1. Internal Scholarships ..	,,	21,145	24,178	23,504	—	38,831	61	28,302	34,676	38,831
2. Foreign Training of Teachers	,,	—	—	—	—	200	—	25	100	75

8.2 EDUCATION AND TRAINING: FINANCIAL TARGETS AND ACHIEVEMENTS

(Million Rupees)

S.No.	Sub-Sector	Estimated actual expenditure			Revised allocation of Third Plan (1965—70)	Percentage Implementation. (Col. 5 of Col. 6)	ADP allocation for 1967/68	Estimated Requirements for	
		1965/66	1966/67	Total (1965/66—1966/67)				1968/69	1969/70
1	2	3	4	5	6	7	8	9	10
1.	Primary Education	7.96	26.81	34.77	318.51	11.20	40.13	90.00	102.00
2.	Secondary Education	49.19	75.36	124.55	554.18	24.70	97.22	130.00	120.00
3.	Teachers' Education	3.55	5.14	8.69	82.01	10.73	12.01	27.00	28.00
4.	Technical Education	28.50	48.19	76.69	615.76	12.46	94.93	185.00	210.00
5.	College Education	5.31	8.85	14.16	114.04	12.17	18.74	30.00	38.00
6.	Universities	19.19	27.75	46.94	278.57	16.86	38.83	79.00	89.00
7.	Scholarships	22.18	23.69	45.87	168.43	27.23	34.10	40.10	41.00
8.	Social and Cultural Activities ..	2.08	6.38	8.46	54.25	14.49	8.44	9.40	10.56
9.	Special Projects	0.63	2.14	2.77	35.81	8.00	5.27	12.00	17.50
10.	Madrasa Education	—	—	—	14.00	—	0.50	5.00	5.00
11.	Central Govt. Educational Institutions at Islamabad/Rawalpindi/Dacca ..	—	2.91	2.91	27.00	10.80	9.31	10.00	4.78
12.	Special Areas	0.33	0.91	1.24	9.00	13.80	1.70	2.58	3.27
13.	Public Administration	1.10	2.92	4.02	20.28	19.84	8.79	3.00	3.50
14.	Publicity Scheme	0.25	—	0.25	10.00	2.50	1.50	3.00	3.50

15. Provision for the implementation of recommendations of the Commission on students problems and welfare ..	—	—	—	50.00	—	3.00	20.00	22.00
16. Frontier Areas	1.76	2.28	4.04	20.71	19.50	3.81	6.00	6.44
17. Merged Areas	0.01	0.06	0.07	—	—	0.19	—	—
18. Establishment Division Scholarships for the Children of non-gazetted employees	0.35	0.38	0.73	2.00	36.30	0.40	0.43	0.45
19. Miscellaneous (Tools & Plants) ..	—	0.83	0.83	—	—	1.20	—	—
Total ..	142.39	234.60	376.99	2,374.55	16.00	380.07	652.51	705.00

8.3 EDUCATION AND TRAINING: DEVELOPMENT EXPENDITURE BY EXECUTING AGENCIES

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)				1966/67 (Revised Estimates)				Estimated Expenditure during 1965/66—1966/67
		East Pakistan	West Pakistan	Centre	Total	East Pakistan	West Pakistan	Centre	Total	
1	2	3	4	5	6	7	8	9	10	11
1.	Primary Education ..	7.50	0.46	—	7.96	24.01	2.80	—	26.81	34.77
2.	Secondary Education ..	34.43	14.76	—	49.19	56.20	19.16	—	75.36	124.55
3.	Teachers' Education ..	0.64	2.91	—	3.55	3.25	1.89	—	5.14	8.69
4.	Technical Education ..	20.98	7.52	—	28.50	37.90	10.29	—	48.19	76.69
5.	College Education ..	0.49	4.82	—	5.31	2.91	5.94	—	8.85	14.16
6.	Universities ..	9.55	9.12	0.52	19.19	14.85	9.50	3.40	27.75	46.94
7.	Scholarships ..	7.60	13.00	1.58	22.18	8.30	13.22	2.17	23.69	45.87
8.	Social and Cultural Activities	0.25	0.20	1.63	2.08	2.49	0.59	3.30	6.38	8.46
9.	Central Govt. Educational Institutions at Islamabad/ Rawalpindi/Dacca ..	—	—	—	—	—	—	2.91	2.91	2.91
10.	Special Projects ..	0.40	0.23	—	0.63	1.17	0.97	—	2.14	2.77
11.	Frontier Areas ..	—	1.76	—	1.76	—	2.28	—	2.28	4.04
12.	Merged Areas ..	—	0.01	—	0.01	—	0.06	—	0.06	0.07
13.	Special Areas ..	—	—	0.33	0.33	—	—	0.91	0.91	1.24
14.	Public Administration	0.30	—	0.80	1.10	0.99	—	1.93	2.92	4.02
15.	Publicity Scheme ..	—	—	0.25	0.25	—	—	—	—	0.25

16. Establishment Division Scholarships for the Children of non-gazetted Central Govt. employees ..	—	—	0.35	0.35	—	—	0.38	0.38	0.73
17. Miscellaneous (Tools & Plants)	—	—	—	—	—	0.83	—	0.83	0.83
Total..	82.14	54.79	5.46	142.39	152.07	67.53	15.00	234.60	376.99

8.4 EDUCATION AND TRAINING: REGIONAL EXPENDITURE IN EAST PAKISTAN

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)			1966/67 (Revised Estimates)			Total Estimated Expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Primary Education	—	7.50	7.50	—	24.01	24.01	31.51
2.	Secondary Education	—	34.43	34.43	—	56.20	56.20	90.63
3.	Teachers' Education	—	0.64	0.64	—	3.25	3.25	3.89
4.	Technical Education	—	20.98	20.98	—	37.90	37.90	58.88
5.	College Education	—	0.49	0.49	—	2.91	2.91	3.40
6.	Universities	0.26	9.55	9.81	1.70	14.85	16.55	26.36
7.	Scholarships	0.79	7.60	8.39	1.08	8.30	9.38	17.77
8.	Social and Cultural Activities	0.81	0.25	1.06	1.65	2.49	4.14	5.20
9.	Central Govt. Educational Institutions	—	—	—	1.45	—	1.45	1.45
10.	Special Projects	—	0.40	0.40	—	1.17	1.17	1.57
11.	Public Administration	0.40	0.30	0.70	0.97	0.99	1.96	2.66
12.	Publicity Scheme	0.13	—	0.13	—	—	—	0.13
13.	Establishment Division Scholarships for the children of non-gazetted employees	0.17	—	0.17	0.19	—	0.19	0.36
	Total ..	2.56	82.14	84.70	7.04	152.07	159.11	243.81

8.5 EDUCATION AND TRAINING: REGIONAL EXPENDITURE IN WEST PAKISTAN

(Million Rupees)

S. No.	Sub-sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Primary Education	—	0.46	0.46		2.80	2.80	3.26
2.	Secondary Education	—	14.76	14.76	—	19.16	19.16	33.92
3.	Teachers' Education	—	2.91	2.91	—	1.89	1.89	4.80
4.	Technical Education	—	7.52	7.52	—	10.29	10.29	17.81
5.	College Education	—	4.82	4.82	—	5.94	5.94	10.76
6.	Universities	0.26	9.12	9.38	1.70	9.50	11.20	20.58
7.	Scholarships	0.79	13.00	13.79	1.09	13.22	14.31	28.10
8.	Social and Cultural Activities ..	0.82	0.20	1.02	1.65	0.59	2.24	3.26
9.	Special Projects	—	0.23	0.23	—	0.97	0.97	1.20
10.	Central Govt. Educational Institutions Islamabad/Rawalpindi/Dacca ..	—	—	—	1.46	—	1.46	1.46
11.	Frontier Areas	—	1.76	1.76	—	2.28	2.28	4.04
12.	Merged Areas	—	0.01	0.01	—	0.06	0.06	0.07
13.	Special Areas	0.33	—	0.33	0.91	—	0.91	1.24
14.	Public Administration	0.40	—	0.40	0.96	—	0.96	1.36
15.	Publicity Scheme	0.12	—	0.12	—	—	—	0.12
16.	Establishment Division Scholarships for the children of non-gazetted employees ..	0.18	—	0.18	0.19	—	0.19	0.37
17.	Miscellaneous (Tools & Plants) ..	—	—	—	—	0.83	0.83	0.83
	Total	2.90	54.79	57.69	7.96	67.53	75.49	133.18

9.1 MANPOWER TRAINING AND LABOUR: PHYSICAL TARGETS AND ACHIEVEMENTS

S. No.	Sub-Sector/Item	Unit	Base year achievement/production in 1964/65	Estimated actual achievement/production in			Third Plan Target (1965-70)	Percentage achievement (Col. 7 of Col. 8)
				1965/66	1966/67	Total (1965/66—1966/67)		
1	2	3	4	5	6	7	8	9
1.	Manpower Training and Skill Development	Nos.	7	Partial construction of buildings for 7 technical training centres, 3 in East Pakistan (SEATO-Pak., Dacca, German-Pak., Dacca and Marine Diesel Centre, Narayanganj) and 4 in West Pak. (Hyderabad, Moghalpura, Multan and Peshawar).	Partial construction of buildings for 9 technical training centres, 5 in East Pak. (SEATO-Pak., Dacca, German-Pak., Dacca, Marine Diesel Centre, Narayanganj, staff quarters for Chittagong and Rajshahi) and 4 cen Pak. tres in West (Hyderabad, Moghalpura Multan and Peshawar).	Partial construction of buildings for 9 technical training centres, 5 in East Pak. (SEATO-Pak., Dacca, Marine Diesel Centre, Narayanganj, staff quarters for Chittagong and Rajshahi) and 4 centres in West Pak. (Hyderabad, Moghalpura, Multan and Peshawar).	11 new Centres (8 in East and 3 in West Pak), 2 new centres for released defence personnel, one in each wing, modernisiug of 3 existing centres in West Pakistan.	28
2.	Labour Market Organisation	,,	—	—	Opening of one vocational guidance and youth employment unit at Dacca.	Opening of vocational guidance and youth employment unit at Dacca.	Establishment of four vocational guidance and youth employment units at Dacca, Chittagong, Khulna & Rajshahi.	20
3.	Promotion of Industrial Peace	,,	Acquisition of land for Headquarters office building at Dacca, Divisional offices at Chittagong and Rajshahi and Regional office building of Labour Directorate at Narayanganj.	—	Acquisition of land for Divisional office of Labour Directorate at Dacca and Khulna, partial construction of buildings of Labour Directorate for Headquarters office at Dacca, Divisional offices at Dacca,	Acquisition of land for Divisional office of Labour Directorate at Dacca and Khulna, partial construction of buildings of Labour Directorate for Headquarters office at Dacca, Divisional offices at Dacca, Chittagong.	Completion of buildings for one headquarters office at Dacca, four Divisional offices at Dacca, Chittagong, Khulna and Rajshahi and one Regional office at Narayanganj.	37

				Chittagong, Khulna and Regional office at Narayanganj.	Khulna and Rajshahi and Regional office at Narayanganj.	
4. Provision of Safety and Security.	Nos.	One Labour Welfare Division for tea industry and thirteen Labour Welfare Centres.	Partial improvement of the existing Labour Welfare Div. for tea industry at Srimangal and provision of furniture and equipment, etc., for six existing Labour Welfare Centres at Bogra, Rajshahi, Kalurghat, Tongi, Rupsa and Sirajganj.	Construction of staff quarters for Labour Welfare Div. at Srimangal, four Labour Welfare Centres at Barisal, Bandar, Gaibandha and Khustia, partial improvement of two existing Labour Welfare Centres at Tejgaon and Narayanganj, acquisition of land for Rescue Centre and Mines Safety Institute at Quetta.	Construction of staff quarters and partial improvement of the Labour Welfare Div. for tea industry; construction of four Labour Welfare Centres and provision of furniture and equipment, etc., for existing six Labour Welfare Centres; partial improvement of two existing Labour Welfare Centres, acquisition of land for Rescue Centre and Mines Safety Institute.	Construction of seventeen new Labour Welfare Centres, improvement and full completion of existing thirteen Labour Welfare Centres, improvement of the existing Labour Welfare Div. for tea industry, completion of one centre along with one Mines Safety Institute. 40

9.2 MANPOWER TRANING AND LABOUR: FINANCIAL TARGETS AND ACHIEVEMENTS

(Million Rupees)

S. No.	Sub-sector	Estimated actual expenditure			Revised allocation of Third Plan (1965—70)	Percentage implementation (Col. 5 of Col. 6)	A.D.P. Allocation for 1967/68	Estimated requirements for 1968/69—1969/70
		1965/66	1966/67	Total 1965/66-1966/67				
1	2	3	4	5	6	7	8	9
1.	Manpower training and skill development	3.53	5.58	9.11	64.76	14.08	13.19	42.45
2.	Labour market organisation	—	0.07	0.07	6.10	1.07	0.31	5.73
3.	Promotion of industrial peace	—	1.04	1.04	2.66	39.09	0.54	1.08
4.	Provision of safety and security	0.10	0.36	0.46	10.59	4.31	1.20	8.93
5.	Analysis, evaluation and statistics	—	—	—	1.49	—	—	1.49
	Total ..	3.63	7.05	10.68	85.60	12.47	15.24	59.68

9.3 MANPOWER TRAINING AND LABOUR: DEVELOPMENT EXPENDITURE BY EXECUTING AGENCIES

(Million Rupees)

S. No.	Sub-sector	1965/66 (Actual)				1966/67 (Estimated Actual)				Total Estimated expenditure during 1965/66—1966/67
		East Pakistan	West Pakistan	Centre	Total	East Pakistan	West Pakistan	Centre	Total	
1	2	3	4	5	6	7	8	9	10	11
1.	Manpower training and skill development	2.19	1.34	—	3.53	2.74	2.82	0.02	5.58	9.11
2.	Labour market organisation ..	—	—	—	—	0.07	—	—	0.07	0.07
3.	Promotion of industrial peace ..	—	—	—	—	1.04	—	—	1.04	1.04
4.	Provision of safety and security ..	0.10	—	—	0.10	0.36	—	—	0.36	0.46
5.	Analysis, evaluation and statistics ..	—	—	—	—	—	—	—	—	—
	Total: ..	2.29	1.34	—	3.63	4.21	2.82	0.02	7.05	10.68

9.4 MANPOWER TRAINING AND LABOUR: REGIONAL EXPENDITURE IN EAST PAKISTAN

(Million Rupees)

S. No.	Sub-sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated Expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Manpower training and skill development ..	—	2.19	2.19	—	2.74	2.74	4.93
2.	Labour market organisation ..	—	—	—	—	0.07	0.07	0.07
3.	Promotion of industrial peace ..	—	—	—	—	1.04	1.04	1.04
4.	Provision of safety and security ..	—	0.10	0.10	—	0.36	0.36	0.46
5.	Analysis, evaluation and statistics ..	—	—	—	—	—	—	—
	Total ..	—	2.29	2.29	—	4.21	4.21	6.50

9.5 MANPOWER TRAINING AND LABOUR: REGIONAL EXPENDITURE IN WEST PAKISTAN

(Million Rupees)

S. No.	Sub-sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Manpower training and skill development	—	1.34	1.34	0.02	2.82	2.84	4.18
2.	Labour market organisation ..	—	—	—	—	—	—	—
3.	Promotion of industrial peace ..	—	—	—	—	—	—	—
4.	Provision of safety and security ..	—	—	—	—	—	—	—
5.	Analysis, evaluation and statistics ..	—	—	—	—	—	—	—
	Total ..	—	1.34	1.34	0.02	2.82	2.84	4.18

10.1 HEALTH AND MEDICAL SERVICES: PHYSICAL TARGETS AND ACHIEVEMENTS

S. No.	Sub-Sector/Item	Unit	Base year achievement/production in 1964/65	Estimated actual achievement/production in			Third Plan Target* (1965—70)	Percentage achievement (Col. 7 of Col. 8)	Proposed Target for 1967/68	Estimated Targets for 1968/69—1969/70
				1965/66	1966/67	Total 1965/66—1966/67				
1	2	3	4	5	6	7	8	9	10	11
1.	Doctors	Number	15,600	—	—	2,000	4,200	47.5	1,000	—
2.	Nurses	,,	3,600	—	—	612	1,800	32.8	350	—
3.	Lady Health Visitors	,,	1,047	—	—	275†	1,703	16.0	—	—
4.	Hospital Beds	,,	35,500	—	—	3,426	10,712	31.9	—	—
5.	T. B. Clinics	,,	96	—	—	23‡	47	—	—	—
6.	Rural Health Centres	,,	125	—	—	48	547	8.8	—	—
7.	Nurses Training Institutes ..	,,	18	—	—	—	4	—	—	—
8.	Medical Colleges	,,	12+1†	—	—	—	2+2§	—	—	—

*This column indicates increase during the Plan period over the base year 1964/65.
†Up to December 1967.
‡Left over from Second Plan.
§Includes Post-Graduate Medical Institutes.

10.2 HEALTH AND MEDICAL SERVICES: FINANCIAL TARGETS AND ACHIEVEMENTS

(Million Rupees)

S. No.	Sub-Sector	Estimated actual expenditure			Revised allocation of Third Plan (1965—70)	Percentage implementation (Col. 5 of Col. 6)	A.D.P. allocation for 1967/68	Estimated requirements for 1968/69—1969/70
		1965/66	1966/67	Total 1965/66—1966/67				
1	2	3	4	5	6	7	8	9
1.	Malaria Eradication Programme	69.34	38.71	108.05	271.58	39.8	69.12	94.41
2.	Family Planning	25.02	40.77	65.79	274.00	24.8	54.67	153.54
3.	Hospitals	12.85	22.33	35.18	129.79	27.2	34.91	59.70
4.	Rural Health Centres	16.51	10.80	27.31	155.96	17.5	12.94	115.71
5.	T.B. Control	2.78	7.41	10.19	28.53	35.8	4.70	13.63
6.	Medical Education and Research	13.93	20.95	34.88	229.77	15.2	33.77	161.12
7.	Miscellaneous	2.90	6.74	9.64	84 90	11.4	2.93	72.33
	Total: ..	143.33	147.71	291.04	1,174.53	24.8	213.04	670.44

10.3 HEALTH AND MEDICAL SERVICES: DEVELOPMENT EXPENDITURE BY EXECUTING AGENCIES

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)				1966/67 (Estimated Actual)				Total Estimated expenditure during 1965/66 —1966/67
		East Pakistan	West Pakistan	Centre	Total	East Pakistan	West Pakistan	Centre	Total	
1	2	3	4	5	6	7	8	9	10	11
1.	Malaria Eradication Programme ..	39.12	29.91	0.31	69.34	18.22	20.13	0.36	38.71	108.05
2.	Family Planning	9.55	13.97	1.50	25.02	18.50	20.00	2.27	40.77	65.79
3.	Hospitals	3.06	4.56	5.23	12.85	9.83	4.35	8.15	22.33	35.18
4.	Rural Health Centres	14.53	1.98	—	16.51	10.00	0.80	—	10.80	27.31
5.	T.B. Control	0.55	1.69	0.54	2.78	4.43	2.12	0.86	7.41	10.19
6.	Medical Education and Research ..	6.82	2.69	4.42	13.93	15.64	3.31	2.00	20.95	34.88
7.	Miscellaneous	1.50	1.40	—	2.90	1.77	4.97	—	6.74	9.64
	Total ..	75.13	56.20	12.00	143.33	78.39	55.68	13.64	147.71	291.04

10.4. HEALTH AND MEDICAL SERVICES: REGIONAL EXPENDITURE IN EAST PAKISTAN

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Malaria Eradication Programme ..	0.15	39.12	39.27	0.18	18.22	18.40	57.67
2.	Family Planning	0.75	9.55	10.30	1.13	18.50	19.63	29.93
3.	Hospitals	4.10	3.06	7.16	4.50	9.83	14.33	21.49
4.	Rural Health Centres	—	14.53	14.53	—	10.00	10.00	24.53
5.	T. B. Control	0.02	0.55	0.57	0.43	4.43	4.86	5.43
6.	Medical Education and Research ..	0.65	6.82	7.47	0.15	15.64	15.79	23.26
7.	Miscellaneous	—	1.50	1.50	—	1.77	1.77	3.27
	Total ..	5.67	75.13	80.80	6.39	78.39	84.78	165.58

10.5 HEALTH AND MEDICAL SERVICES: REGIONAL EXPENDITURE IN WEST PAKISTAN

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Malaria Eradication Programme ..	0.16	29.91	30.07	0.18	20.13	20.31	50.38
2.	Family Planning	0.75	13.97	14.72	1.14	20.00	21.14	35.86
3.	Hospitals	1.13	4.56	5.69	3.65	4.35	8.00	13.69
4.	Rural Health Centres	—	1.98	1.98	—	0.80	0.80	2.78
5.	T. B. Control	0.52	1.69	2.21	0.43	2.12	2.55	4.76
6.	Medical Education and Research ..	3.77	2.69	6.46	1.85	3.31	5.16	11.62
7.	Miscellaneous	—	1.40	1.40	—	4.97	4.97	6.37
	Total ..	6.33	56.20	62.53	7.25	55.68	62.93	125.46

11.1 SOCIAL WELFARE SERVICES: PHYSICAL TARGETS AND ACHIEVEMENTS

S. No.	Sub-Sector/Item	Unit	Base Year achievement/production in 1964/65	Estimated actual achievement/production in			Third Plan Target (1965-70)	Percentage achievement (Col. 7 of Col. 8)	Proposed Target for 1967/68	Estimated Targets for 1968/69 1969/70
				1965/66	1966/67	Total (1965/66—1966/67)				
1	2	3	4	5	6	7	8	9	10	11
1.	Administration	Centre	—	1	Contd.	1	3	33	Continuation	2
2.	Research and Publication ..	Unit	—	—	1	1	1	100.0	,,	Continuation
3.	Training	,,	2	4	Continuation	4	4	100.0	,,	,,
4.	Urban Community Development ..	Projects	41	41	18	59	89	66.3	10	20
5.	Social Services for Rural Communities	,,	—	—	6	6	30	20.0	8	16
6.	Financial and Professional Assistance to Voluntary Agencies, Universities and Colleges	Services	—	3	Continuation	3	3	100.0	Continuation	Continuation
7.	Social Services for Children ..	Centres	—	5	5	10	199	5.0	6	180
8.	Social Services for Youth ..	Centres/Hostels	20	2	1	3	3	100.0	Continuation	Continuation
9.	Social Services for Families ..	Centres	1	1	—	1	6	16.7	2	3
10.	Medical Social Work	Projects	7	—	—	—	11	—	2	9
11.	School Social Work	Schools	—	—	3	3	22	13.6	5	14
12.	Recreation Services for Masses ..	—	—	—	—	—	—	—	—	—
13.	Social Services and Model Institutions for Socially and Economically Handicapped	Centres	3	2	2	4	67	6.0	5	57

1	2	3	4	5	6	7	8	9	10	11
14.	Social Services and Model Institutions for Physically Handicapped	.. „	7	1	1	2	59	3.4	9	45
15.	Social Services for Delinquents	.. Units	—	3	Continuation	3	21	14.3	2	15
16.	Social Assistance Units ..	.. —	—	—	—	—	—	—	—	—
17.	Staff Welfare Fund ..	.. Services	—	9	Continuation	9	9	100. 0	Continuation	Continuation
	Total		81	72	37	109	527	20.7	49	361

11.2 SOCIAL WELFARE SERVICES: FINANCIAL TARGETS AND ACHIEVEMENTS

(Million Rupees)

S. No.	Sub-Sector	Estimated actual expenditure			Revised allocation of Third Plan (1965/70)	Percentage implementation (Col. 5 of Col. 6)	ADP Allocation for 1967/68	Estimated requirements for 1968/69 1969/70
		1965/66	1966/67	Total (1965/66—1966/67)				
1	2	3	4	5	6	7	8	9
1.	Administration	0.01	0.03	0.04	1.76	2.27	0.04	1.66
2.	Research and Publication	—	0.03	0.03	0.29	10.34	0.06	1.60
3.	Training	0.15	0.39	0.54	3.74	14.43	0.51	2.58
4.	Urban Community Development	0.68	0.90	1.58	8.08	19.55	1.40	2.34
5.	Social Services for Rural Communities	—	0.10	0.10	4.92	2.00	0.61	3.40
6.	Financial and Professional Assistance to Voluntary Agencies, Universities and Colleges	3.14	3.42	6.56	22.14	29.62	4.05	10.10
7.	Social Services for Children	0.75	0.78	1.53	14.36	21.30	2.41	10.51
8.	Social Services for Youth	0.04	0.13	0.17	0.68	25.00	0.11	0.20
9.	Social Services for Families	0.03	0.04	0.07	1.39	5.03	0.16	0.50
10.	Medical Social Work	0.20	0.20	0.40	1.88	21.3	0.38	0.40
11.	School Social Work	—	0.02	0.02	1.43	1.39	0.15	1.12
12.	Recreational Services for Masses	—	—	—	—	—	—	—
13.	Social Services and Model Institutions for Socially and Economically Handicapped	0.09	0.23	0.32	9.78	3.27	1.17	7.19
14.	Social Services and Model Institutions for Physical Handicapped	0.17	0.30	0.47	13.02	3.60	0.85	11.60

1	2	3	4	5	6	7	8	9
15.	Social Services for Delinquents	0.20	0.80	1.00	3.30	30.30	0.69	1.68
16.	Social Assistance Units	—	—	—	—	—	—	—
17.	Staff Welfare Fund	0.35	0.50	0.85	3.50	24.28	0.90	1.75
	Total ..	5.81	7.87	13.68	90.27	15.00	13.49	56.63

11.3 SOCIAL WELFARE SERVICES: DEVELOPMENT EXPENDITURE BY EXECUTING AGENCIES

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)				1966/67 (Estimated Actual)				Total Estimated expenditure during 1965/66 —1966/67
		East Pakistan	West Pakistan	Centre	Total	East Pakistan	West Pakistan	Centre	Total	
1	2	3	4	5	6	7	8	9	10	11
1.	Administration	—	0.01	—	0.01	—	0.03	—	0.03	0.04
2.	Research and Publication	—	—	—	—	—	0.03	—	0.03	0.03
3.	Training	0.10	0.05	—	0.15	0.32	0.07	—	0.39	0.54
4.	Urban Community Development	—	0.68	—	0.68	—	0.90	—	0.90	1.58
5.	Social Services for Rural Communities	—	—	—	—	—	0.10	—	0.10	0.10
6.	Financial and Professional Assistance to Voluntary Agencies, Universities and Colleges	—	0.70	2.44	3.14	—	0.70	2.72	3.42	6.56
7.	Social Services for Children	0.75	—	—	0.75	0.78	—	—	0.78	1.53
8.	Social Services for Youth	0.04	—	—	0.04	0.13	—	—	0.13	0.17
9.	Social Services for Families	—	0.03	—	0.03	—	0.04	—	0.04	0.07
10.	Medical Social Work	—	0.20	—	0.20	—	0.20	—	0.20	0.40
11.	School Social Work	—	—	—	—	—	0.02	—	0.02	0.02
12.	Recreational Services for Masses	—	—	—	—	—	—	—	—	—
13.	Social Services and Model Institutions for Socially and Economically Handicapped	—	0.09	—	0.09	—	0.23	—	0.23	0.32
14.	Social Services and Model Institutions for Physically Handicapped	0.17	—	—	0.17	0.30	—	—	0.30	0.47
15.	Socia. Services for Delinquents	0.20	—	—	0.20	0.80	—	—	0.80	1.00
16.	Social Assistance Units	—	—	—	—	—	—	—	—	—
17.	Staff Welfare Fund	—	—	0.35	0.35	—	—	0.50	0.50	0.85
	Total	1.26	1.76	2.79	5.81	2.33	2.32	3.22	7.87	13.68

11.4 SOCIAL WELFARE SERVICES: REGIONAL EXPENDITURE IN EAST PAKISTAN

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Administration	—	—	—	—	—	—	—
2.	Research and Publication ..	—	—	—	—	—	—	—
3.	Training	—	0.10	0.10	—	0.32	0.32	0.42
4.	Urban Community Development ..	—	—	—	—	—	—	—
5.	Social Services for Rural Communities	—	—	—	—	—	—	—
6.	Financial and Professional Assistance to Voluntary Agencies, Universities and Colleges	1.51	—	1.51	1.64	—	1.64	3.15
7.	Social Services for Children ..	—	0.75	0.75	—	0.78	0.78	1.53
8.	Social Services for Youth ..	—	0.04	0.04	—	0.13	0.13	0.17
9.	Social Services for Families ..	—	—	—	—	—	—	—
10.	Medical Social Work	—	—	—	—	—	—	—
11.	School Social Work	—	—	—	—	—	—	—
12.	Recreational Services for Masses ..	—	—	—	—	—	—	—
13.	Social Services and Model Institutions for Socially and Economically Handicapped	—	—	—	—	—	—	—
14.	Social Services and Model Institutions for Physically Handicapped ..	—	0.17	0.17	—	0.30	0.30	0.47
15.	Social Services for Delinquents ..	—	0.20	0.20	—	0.80	0.80	1.00
16.	Social Assistance Units	—	—	—	—	—	—	—
17.	Staff Welfare Fund	0.17	—	0.17	0.25	—	0·25	0.42
	Total ..	1.68	1.26	2.94	1.89	2.33	4.22	7.16

11.5 SOCIAL WELFARE SERVICES: REGIONAL EXPENDITURE IN WEST PAKISTAN

(Million Rupees)

Sl. No.	Sub-Sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Administration	—	0.01	0.01	—	0.03	0.03	0.04
2.	Research and Publication	—	—	—	—	0.03	0.03	0.03
3.	Training	—	0.05	0.05	—	0.07	0.07	0.12
4.	Urban Community Development	—	0.68	0.68	—	0.90	0.90	1.58
5.	Social Services for Rural Communities	—	—	—	—	0.10	0.10	0.10
6.	Financial and Professional Assistance to Voluntary Agencies Universities and Colleges	0.93	0.70	1.63	1.08	0.70	1.78	3.41
7.	Social Services for Children	—	—	—	—	—	—	—
8.	Social Services for Youth	—	—	—	—	—	—	—
9.	Social Services for Families	—	0.03	0.03	—	0.04	0.04	0.07
10.	Medical Social Work	N.A.	0.20	0.20	—	0.20	0.20	0.40
11.	School Social Work	—	—	—	—	0.02	0.02	0.02
12.	Recreational Services for Masses	—	—	—	—	—	—	—
13.	Social Services and Model Institutions for Socially and Economically Handicapped	—	0.09	0.09	—	0.23	0.23	0.32
14.	Social Services and Model Institutions for Physically Handicapped—							
15.	Social Services for Delinquents		—	—	—	—	—	—
16.	Social Assistance Units		—	—	—	—	—	—
17.	Staff Welfare Fund	0.18	—	0.18	0.25	—	0.25	0.43
	Total	1.11	1.76	2.87	1.33	2.32	3.65	6.52

12.1 WATER AND POWER : PHYSICAL TARGETS AND ACHIEVEMENTS

Sl. No.	Sub-Sector/Item	Unit	Base Year achievement/production in 1964/65	Estimated actual achievement/production in			Third Plan Target (1965-70)	Percentage achievement (Col. 7 of Col. 8)	Proposed Target for 1967/68	Estimated Targets for (1968/69-1969/70)
				1965/66	1966/67	Total (1965/66-1966/67)				
1	2	3	4	5	6	7	8	9	10	11
	A. Water Development :									
	(a) New area brought under irrigation—	'000' acres								
	East Pakistan	,,	—	100	150	250	1,758	14	—	—
	West Pakistan	,,	—	500	470	870	3,982	22	—	—
	Sub-total (a)		—	600	620	1,120	5,740	20	—	—
	(b) Old area improved through irrigation/drainage/flood regulation— ..	,,								
	East Pakistan	,,	—	300	650	950	2,723	35	—	—
	West Pakistan	,,	—	1,900	1,550	3,450	17,608	20	—	—
	Sub-total (b)		—	2,200	2,200	4,400	20,331	22	—	—
	B. Power Development									
	(a) Increase in installed capacity	000 K.W								
	East Pakistan	,,	202	—	—	223.5	530	—	129.5	—
	West Pakistan	,,	1,135	—	—	1,278.0	923	—	1,740.0	1,975 and 2,175
	Sub-total (a)		1,337	—	—	1,501.5	1,453	—	1,869.5	—

(b) Increase in length of transmission and distribution lines (11 KV and above)	miles							
East Pakistan		2,300	700	824	1,524	4,000	—	—	—
West Pakistan		—	4,000	5,300	9,300	11,000	—	—	—
Sub-total (b)		—	4,700	6,124	10,824	15,000	—	—	—

12.2 WATER AND POWER: FINANCIAL TARGETS AND ACHIEVEMENTS

(Million Rupees)

S. No.	Sub-Sector	Estimated actual expenditure			Revised allocation of Third Plan (1965-70)	Percentage Implementation (Col. 5 of Col. 6)	ADP Allocation for 1967/68	Estimated requirements for 1968/69—1969/70
		1965/66	1966/67	Total (1965/66—1966/67)				
1	2	3	4	5	6	7	8	9
A. Water Development								
	East Pakistan	214.00	286.89	500.89	1,960.00	25.6	390.00	—
	West Pakistan	235.31	316.56	551.87	2,180.97	25.3	497.64	—
	Sub-total (A)	449.31	603.45	1,052.76	4,140.97	25. 4	—	—
B. Power Development								
	East Pakistan	134.10	295.30	429.40	1,550.00	27.7	445.20	—
	West Pakistan	227.88	245.45	473.33	1.925.75	24.5	306.57	508.00 and 550.00
	Sub-total (B)	361.98	540.75	902.73	3,475.75	26.0	—	—
	Total (A & B)	811.29	1,144.20	1,955.49	7,616.72	25.7	—	—
C. Central Government Programme								
	Atomic Energy	64.44	41.47	105.91	372.60	28.4	—	—
	Miscellaneous	7.29	9.98	17.27	57.97	29.8	9.77	—
	Sub-total (C)	71.73	51.45	123.18	430.57	28.6	—	—
	Total (A+B+C)	883.02	1,195.65	2,078.67	8,047.29	25.8	—	—

12.3 WATER AND POWER: DEVELOPMENT EXPENDITURE BY EXECUTING AGENCIES

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)				1966/67 (Estimated Actual)				Total
		East Pakistan	West Pakistan	Centre	Total	East Pakistan	West Pakistan	Centre	Total	Estimated expenditure during 1965/66 —1966/67
1	2	3	4	5	6	7	8	9	10	11
1.	Water ..	214.00	235.31	—	449.31	286.89	316.56	—	603.45	1,052.76
2.	Power ..	134.10	227.88	—	361.98	295.30	245.45	—	540.75	902.73
3.	Atomic Energy ..	—	—	64.44	64.44	—	—	41.47	41.47	105.91
4.	Miscellaneous ..	—	—	7.29	7.29	—	—	9.98	9.98	17.27
	Total ..	348.10	463.19	71.73	883.02	582.19	562.01	51.45	1,195.65	2,078.67

12.4 WATER AND POWER: REGIONAL EXPENDITURE IN EAST PAKISTAN

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Water	—	214.00	214.00	—	286.89	286.89	500.89
2.	Power	—	134.10	134.10	—	295.30	295.30	429.40
3.	Atomic Energy	7.65	—	7.65	6.16	—	6.16	13.81
4.	Miscellaneous	2.92	—	2.92	3.99	—	3.99	6.91
	Total:	10.57	348.10	358.67	10.15	582.19	592.34	951.01

12.5 WATER AND POWER: REGIONAL EXPENDITURE IN WEST PAKISTAN

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Water	—	235.31	235.31	—	316.56	316.56	551.87
2.	Power	—	227.88	227.88	—	245.45	245.45	473.33
3.	Atomic Energy	56.79	—	56.79	35.31	—	35.31	92.10
4.	Miscellaneous	4.37	—	4.37	5.99	—	5.99	10.36
	Total: . .	61.16	463.19	524.35	41.30	562.01	603.31	1,127.66

13.1 TRANSPORT AND COMMUNICATIONS: PHYSICAL TARGETS AND ACHIEVEMENTS

S. No.	Sub-Sector/Item	Unit	Base year achievement/ production in 1964/65	Estimated actual achievement/ production in			Third Plan target (1965—70)	Percentage achievement (Col. 7 of) Col. 8)
				1965/66	1966/67	Total (1965/66 — 1966/67)		
1	2	3	4	5	6	7	8	9
	Pakistan Western Railway							
	Locomotives (Steam)	Number	701	—	—	—	5	—
	Diesel Electric and Electric locomotives	,,	311	—	26	26	161†	17
	Coaches and others	,,	3,230	169	65	234	803†	29
	Wagons	,,	36,461*	1,510	1,488	2,998	9,232†	32
	Rail Renewals	Track miles	—	123	54	177	851	21
	Sleeper Renewals	,,	—	105	75	180	1,188	15
	Pakistan Eastern Railway							
	Diesel Electric Locomotives ..	Number	102	18	—	18	84	21
	Coaches and others	,,	1,872	80	41	121	707	16
	Wagons	,,	22,680	40	38	73	3,491	2
	Rail Renewals	Track miles	—	37	5	42	438	10
	Sleeper Renewals	,,	—	40	44	84	560	15
	High Type Roads							
	East Pakistan	Miles	1,963	148	92 (+37 improve-ment).	240 (+37 improve-ment	1,000	24

1	2	3	4	5	6	7	8	9
	West Pakistan	„	11,400	100 (+121 improvement)	175 (+234 improvement)	275 (+355 improvement)	1,750	26
Road Transport Vehicles								
	East Pakistan Road Transport Corporation ..	Number	232	3	164 (+45 replacement)	167 Buses (+45 replacement)	494 Buses 20 Trucks (+154 replacement)	31
	West Pakistan Road Transport Corporation ..	„	1,640	24	393	417	1,500 Buses (+770 replacement)	18
Traffic handled at Ports								
	Karachi Port	'000' tons	7,808	7,056	9,100	—	—	—
	Chittagong Port	„	3,289	3,642	4,300	—	—	—
	Chalna Port	„	1,000	1,483	1,850	—	—	—
	Ships National Shipping Corporation	Number	10	11	7	18	37	50
Communications								
	Post Offices	„	325	391	384	775	2,000	39
	Telephones	„	15,500	12,000	12,000	24,000	150.000	16

* PWR state that these figures are in terms of four-wheelers.

† Inclusive of deliveries in the Third Plan against orders placed in the Second Plan period.

13.2 TRANSPORT AND COMMUNICATIONS: FINANCIAL TARGETS AND ACHIEVEMENTS

(Million Rupees)

S. No.	Sub-Sector	Estimated actual Expenditure 1965/66	1966/67	Total (1965/66-1966/67)	Third Plan Allocation 1965-70	Percentage Implementation (Col 5 of Col. 6)	Allocation for 1967/68	Estimated Requirements for 1968/69-1969/70
1	2	3	4	5	6	7	8	9
A. Transport								
1. Railways								
(a)	Pakistan Western Railway	266.45	237.70	504.15	1,500.00	33.6	290.00	705.85
(b)	Pakistan Eastern Railway	110.10	132.64	242.74	915.00	26.5	150.16	521.62
II. Ports								
(a)	Chalna (Permanent port)	0.13	9.47	9.60	160.00	6.0	17.50	132.90
(b)	Chalna Anchorage	3.05	4.24	7.29	27.50	18.0	11.00	14.26
(c)	Second Port in West Pakistan	0.15	1.00	1.15	10.00	11.5	3.00	5.85
III. Shipping								
(a)	Mercantile Marine Academy at Chittagong ..	—	0.90	0.90	4.00	22.5	0.90	2.20
(b)	Navigational Aids on the coast of Pakistan ..	—	0.50	0.50	4.50	11.1	1.55	2.45
(c)	Marine House	—	—	—	2.00	—	—	2.00
(d)	Govt. Contribution to the National Shipping Corporation	2.00	—	2.00	15.00	13.3	—	13.00
IV. Inland Water Transport								
(a)	I.W.T. Authority	15.21	29.54	44.75	260.70	17.1	42.89	173.06
(b)	East Pakistan Shipping Corporation ..	1·72	2.17	3.89	14.00	27.6	1.64	0.78

V. Roads							
(a) Roads in East Pakistan	72.58	69.42	142.00	1,000.41	14.2	140.61	717.80
(b) Bridges over Karnafuli and Buriganga, etc.	—	—	—	20.00	—	8.50	2.70
(c) Roads in West Pakistan	72.20	123.20	195.40	850.00	23.0	154.66	499.94
(d) Indus Valley Road	10.74	5.40	16.14	20.00	8.0	—	—
(e) Other Roads	—	70.00	70.00	—	—	50.00	100.00
(f) Roads in Special Areas in West Pakistan ..	5.85	12.65	18.48	63.75	29.0	12.97	33.93
VI. Road Transport							
East Pakistan Road Transport Corporation	1.31	10.47	11.78	40.00	29.5	13.20	15.02
VII. Tourism	3.00	4.70	7.70	30.00	25.0	5.80	10.80
Sub-total (A)	564.47	714.00	1,278.47	4,936.86	26.0	904.38	2,953.16
B. Communications							
(i) Civil Aviation	47.46	90.17	137.63	440.00	31.0	100.00	219.28
(ii) Post Office (buildings)	5.37	8.50	13.87	70.00	19.8	13.50	40.00
(iii) Telegraph and Telephone Services ..	111.27	144.00	255.27	1,151.00	22.2	170.00	600.00
(iv) Broadcasting	10.15	5.81	15.96	90.00	17.8	23.50	67.46
(v) Television	2.35	8.04	10.39	23.00	45.8	10.00	2.61
Sub-total (B)	176.60	256.52	433.12	1,774.00	24.4	317.00	829.35
Total (A+B)	741.07	970.52	1,711.59	6,710.86	25.5	1,221.38	3,782.51

13.3 TRANSPORT AND COMMUNICATIONS: DEVELOPMENT EXPENDITURE BY EXECUTING AGENCIES

(Million Rupees)

S. No	Sub-Sector	1965/66 (Actual)				1966/67 (Estimated Actual)				Total Estimated expenditure during 1965/66 —1966/67
		East Pakistan	West Pakistan	Centre	Total	East Pakistan	West Pakistan	Centre	Total	
1	2	3	4	5	6	7	8	9	10	11
A. Transport										
East Pakistan										
1.	Pakistan Eastern Railway	110.10	--	—	110.10	132.64	—	—	132.64	242.74
2.	Roads in East Pakistan ..	72.58	—	—	72.58	69.42	—	—	69.42	142.00
3.	I. W. T.A.	15.21	—	—	15.21	29.54	—	—	29.54	44.75
4.	East Pakistan Shipping Corporation	1.72	—	—	1.72	2.17	—	—	2.17	3.89
5.	East Pakistan Road Transport Corporation	1.31	—	—	1.31	10.47	—	—	10.47	11.78
West Pakistan										
1.	Pakistan Western Railway ..	—	266.45	—	266.45	—	237.70	—	237.70	504.15
2.	Roads in West Pakistan ..	—	7.20	—	72.20	—	123.20	—	123.20	195.40
Centre										
1.	Development of Chalna Anchorage	—	—	3.05	3.05	—	—	4.24	4.24	7.29
2.	Permanent port, Pussur River, East Pakistan	—	—	0.13	0.13	—	—	9.47	9.47	9.60
3.	Second Port in West Pakistan	—	—	0.15	0.15	—	—	1.00	1.00	1.15

4. Government contribution to the National Shipping Corporation	—	—	2.00	2.00	—	—	—	—	2.00
4. Mercantile Marine Academy, Chittagong	—	—	—	—	—	—	0.90	0.90	0.90
6. Navigationd aids on the coast of Pakistan	—	—	—	—	—	—	0.50	0.50	0.50
7. Roads in Special Areas of West Pakistan	—	—	5.83	5.83	—	—	12.65	12.65	18.48
8. Indus Valley Road ..	—	—	10.74	10.74	—	—	5.40	5.40	16.14
9. Other Roads	—	—	—	—	—	—	70.00	70.00	70.00
10. Tourism	—	—	3.00	3.00	—	—	4.70	4.70	7.70
Sub-Total (A)	200.92	338.65	24.90	564.24	244.24	360.90	108.86	714.00	1,278.47
B. Communications									
1. Civil Aviation	—	—	47.46	47.46	—	—	90.17	90.17	137.63
2. Post Office (Buildings) ..	—	—	5.37	5.37	—	—	8.50	8.50	13.87
3. Telegraph and Telephone Services ..	—	—	111.27	111.27	—	—	144.00	144.00	255.27
4. Broadcasting	—	—	10.15	10.15	—	—	5.81	5.81	15.96
5. Television	—	—	2.35	2.35	—	—	8.04	8.04	10.39
Sub-Total (B)	—	—	176.60	176.60	—	—	256.52	256.52	433.12
Total (A + B)	200.92	338.65	201.50	741.07	244.24	360.90	365.38	970.52	1,711.59

13.4 TRANSPORT AND COMMUNICATIONS: REGIONAL EXPENDITURE IN EAST PAKISTAN

(Million Rupees)

Sl. No.	Sub-sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
A.	*Transport:*							
1.	Pakistan Eastern Railway	—	110.10	110.10	—	132.64	132.64	242.74
2.	Roads in East Pakistan	—	72.58	72.58	—	69.42	69.42	142.00
3.	I.W.T. Authority	—	15.21	15.21	—	29.54	29.54	44.75
4.	East Pakistan Shipping Corporation ..	—	1.72	1.72	—	2.17	2.17	3.89
5.	East Pakistan Road Transport Corporation	—	1.31	1.31	—	10.47	10.47	11.78
6.	Chalna Anchorage	3.05	—	3.05	4.24	—	4.24	7.29
7.	Permanent Port, Pussur River ..	0.13	—	0.13	9.47	—	9.47	9.60
8.	Government contribution to National Shipping Corporation	1.00	—	1.00	—	—	—	1.00
9.	Mercantile Marine Academy ..	—	—	—	0.90	—	0.90	0.90
10.	Navigational aids on the coast of Pakistan	—	—	—	0.25	—	0.25	0.25
11.	Tourism	1.00	—	1.00	1.60	—	1.60	2.60
	Sub-total (A)	5.18	200.92	206.10	16.46	244.24	250.70	466.80

B. Communications								
1. Civil Aviation	23.73	—	23.73	45.08	—	45.08	68.81
2. Post Offices	2.68	—	2.68	4.25	—	4.25	6.93
3. Telegraphs and Telephones	37.05	—	37.05	48.00	—	48.00	85.05
4. Broadcasting	5.07	—	5.07	2.91	—	2.91	7.98
5. Television	1.17	—	1.17	4.02	—	4.02	5.19
Sub-total (B)	69.70	—	69.70	104.26	—	104.26	173.96
Total (A + B)	74.88	200.92	275.80	120.72	244.24	364.96	640.76

13.5 TRANSPORT AND COMMUNICATIONS: REGIONAL EXPENDITURE IN WEST PAKISTAN

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1.	2	3	4	5	6	7	8	9
A.	*Transport*							
1.	Pakistan Western Railway ..	—	266.45	266.45	—	237.70	237.70	504.15
2.	Roads in West Pakistan	—	72.20	72.20	—	123.20	123.20	195.40
3.	Indus Valley Road	10.74	—	10.74	5.40	—	5.40	16.14
4.	Roads in Special Areas	5.83	—	5.83	12.65	—	12.65	18.48
5.	Other Roads	—	—	—	70.00	—	70.00	70.00
6.	Second Port in West Pakistan ..	0.15	—	0.15	1.00	—	1.00	1.15
7.	Government contribution to the National Shipping Corporation	1.00	—	1.00	—	—	—	1.00
8.	Tourism	2.00	—	2.00	3.10	—	3.10	5.10
9.	Navigational aids on the coast of Pakistan	—	—	—	0.25	—	0.25	0.25
	Sub-total (A)	19.72	338.65	358.37	92.40	360.90	453.30	811.67
B.	*Communications*							
1.	Civil Aviation	23.73	—	23.73	45.09	—	45.09	68.82
2.	Post Offices	2.69	—	2.69	4.25	—	4.25	6.94
3.	Telegraphs and Telephones ..	74.22	—	74.22	96.00	—	96.00	170.22
4.	Broadcasting	5.08	—	5.08	2.90	—	2.90	7.98
5.	Television	1.18	—	1.18	4.02	—	4.02	5.20
	Sub-Total (B)	106.90	—	106.90	152.26	—	152.26	259.16
	Total (A + B)	126.62	338.65	465.27	244.66	360.90	605.56	1,070.83

14.1 PHYSICAL PLANNING AND HOUSING: PHYSICAL TARGETS AND ACHIEVEMENTS

S. No.	Sub-Sector/Item	Unit	Base Year achievement/production in 1964/65	Estimated actual achievement production in			Third Plan Target (1965—70)	Percentage achievement (Col. 7 of Col. 8)	Proposed Target for 1967/68	Estimated Targets for 1968/69—1969/70
				1965/66	1966/67	Total (1965/66—1966/67)				
1	2	3	4	5	6	7	8	9	10	11
1.	Development of residential plots/houses	Number	—	7,500	9,500	17,000	1,30,000	13.1	16,500	52,000
2.	Water supply schemes for urban areas in									
	(i) East Pakistan	"	—	—	2	2	20 cities	10.0	3	15
	(ii) West Pakistan	"	—	3	6	9	25 "	36.0	2	14
3.	Water supply in rural areas—	"								
	(i) Tube-wells in East Pakistan	"	—	600	3,200	3,800	1,60,000	2.4	5,200	5,200
	(ii) Villages in West Pakistan	"	—	80	78	158	400	39.5	80	150
4.	Building and Housing Research Centres	"	—	10%	25%	35%	2	35.0	15%	50%
5.	Regional Development Plans	"	—	—	—	—	4	—	—	2
6.	Urban Development Plans	"	—	—	—	3	12	25.0	—	6
7.	Outline Development Plans	"	—	—	—	—	12	—	1	6
8.	Public Health Engineering Laboratories and Institutes	"	—	—	1	1	2	50.0	—	1

14.2 PHYSICAL PLANNING AND HOUSING: FINANCIAL TARGETS AND ACHIEVEMENTS

(Million Rupees)

S. No.	Sub-Sector	Estimated actual expenditure			Revised allocation of Third Plan (1965-70)	Percentage Implementation (Col. 5 of Col. 6)	ADP Allocation for 1967/68	Estimated requirements for 1968/69—1969/70
		1965/66	1966/67	Total (1965/66—1966/67)				
1	2	3	4	5	6	7	8	9
1.	Basic Development	2.44	2.26	4.70	69.40	6.8	—	—
2.	Housing—							
	(i) Slum Improvement	26.14	43.97	70.11	340.60	20.6	—	—
	(ii) H.B.F.C./Advances to Public servants for house building	5.00	21.00	26.00	26.00	100.00	—	—
3.	Community Services and Utilities—							
	(i) Urban Water Supply	26.22	52.55	78.77	593.49	13.3	—	—
	(ii) Rural Water Supply	11.04	16.79	27.83	85.90	32.4	—	—
	(iii) Fire Services	2.90	3.15	6.05	35.00	17.3	—	—
4.	Government Offices and Buildings	41.76	65.27	107.03	412.88	25.9	—	—
5.	Public Servants Housing							
6.	Aid to Local Bodies	25.02	38.65	63.67	336.26	18.9	—	—
7.	Special Areas	0.48	0.51	0.99	13.86	7.1	—	—
8.	Second Capital, Dacca	26.10	22.59	48.69	120.00	40.6	—	—
9.	Islamabad	108.49	78.34	186.83	420.00	44.4	—	—
10.	States and Frontier Regions	0.76	0.69	1.45	7.59	19.1	—	—
11.	Miscellaneous	0.94	0.76	1.70	15.85	10.7	—	—
	Total ..	277.29	346.53	623.82	2,476.83	25.2	—	—

14.3 PHYSICAL PLANNING AND HOUSING: DEVELOPMENT EXPENDITURE BY EXECUTING AGENCIES

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)				1966/67 (Estimated Actual)				Total estimated expenditure during 1965/66 —1966/67
		East Pakistan	West Pakistan	Centre	Total	East Pakistan	West Pakistan	Centre	Total	
1	2	3	4	5	6	7	8	9	10	11
1.	Basic Development	1.81	0.63	—	2.44	1.33	0.81	0.12	2.26	4.70
2.	Housing—									
	(i) Slum Improvement	17.64	8.50	—	26.14	32.10	11.87	—	43.97	70.11
	(ii) H.B.F.C./Advances to Public Servants for House Building	—	—	5.00	5.00	—	—	21.00	21.00	26.00
3.	Community Services and Utilities									
	(i) Urban Water Supply	21.98	4.24	—	26.22	25.41	27.14	—	52.55	78.77
	(ii) Rural Water Supply	4.44	6.60	—	11.04	5.20	11.59	—	16.79	27.83
	(iii) Fire Services	2.90	—	—	2.90	3.15	—	—	3.15	6.05
4.	Government Offices and Buildings ..	14.89	12.57	14.30	41.76	27.06	15.96	22.25	65.27	107.03
5.	Public Servants Housing									
6.	Aid to Local Bodies	13.95	11.07	—	25.02	31.11	7.54	—	38.65	63.67
7.	Special Areas	—	—	0.48	0.48	—	—	0.51	0.51	0.99
8.	Second Capital, Dacca	—	—	26.10	26.10	—	—	22.59	22.59	48.69
9.	Islamabad	—	—	108.49	108.49	—	—	78.34	78.34	186.83
10.	States and Frontier Regions	—	—	0.76	0.76	—	—	0.69	0.69	1.45
11.	Miscellaneous	0.94	—	—	0.94	0.76	—	—	0.76	1.70
	Total: ..	78.55	43.61	155.13	277.29	126.12	74.91	145.50	346.53	623.82

14.4 PHYSICAL PLANNING AND HOUSING: REGIONAL EXPENDITURE IN EAST PAKISTAN

(Million Rupees)

S. No.	Sub-sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Basic Development	—	1.81	1.81	0.06	1.33	1.39	3.20
2.	Housing							
	(i) Slum Improvement	—	17.64	17.64	—	32.10	32.10	49.74
	(ii) H. B. F. C./Advances to Public Servants for House Building	2.50	—	2.50	10.50	—	10.50	13.00
3.	Community Services and Utilities—							
	(i) Urban Water Supply	—	21.98	21.98	—	25.41	25.41	47.39
	(ii) Rural Water Supply	—	4.44	4.44	—	5.20	5.20	9.64
	(iii) Fire Services	—	2.90	2.90	—	3.15	3.15	6.05
4.	Government Offices and Buildings ..	7.15	14.89	22.04	11.13	27.06	38.19	60.23
5.	Public Servants Housing ..							
6.	Aid to Local Bodies	—	13.95	13.95	—	31.11	31.11	45.06
7.	Second Capital, Dacca	67.29	—	67.29	50.46	—	50.46	117.75
8.	Jslamabad							
9.	Miscellaneous	—	0.94	0.94	—	0.76	0.76	1.70
	Total: ..	76.94	78.55	155.49	72.15	126.12	198.27	353.76

14.5 PHYSICAL PLANNING AND HOUSING: REGIONAL EXPENDITURE IN WEST PAKISTAN

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Basic Development	—	0.63	0.63	0.06	0.81	0.87	1.50
2.	Housing—							
	(i) Slum Improvement	—	8.50	8.50	—	11.87	11.87	20.37
	(ii) H.B.F. C./Advances to Public Servants for House Building	2.50	—	2.50	10.50	—	10.50	13.00
3.	Community Services and Utilities							
	(i) Urban Water Supply	—	4.24	4.24	—	27.14	27.14	31.38
	(ii) Rural Water Supply	—	6.60	6.60	—	11.59	11.59	18.19
4.	Government Offices and Buildings	7.15	12.57	19.72	11.12	15.96	27.08	46.80
5.	Public Servants Housing							
6.	Aid to local Bodies	—	11.07	11.07	—	7.54	7.54	18.61
7.	Special Areas	0.48	—	0.48	0.51	—	0.51	0.99
8.	Second Capital, Dacca	67.30	—	67.30	50.47	—	50.47	117.77
9.	Islamabad							
10.	States and Frontier Regions	0.76	—	0.76	0.69	—	0.69	1.45
	Total	78.19	43.61	121.80	73.35	74.91	148.26	270.06

15.1 AGRICULTURE: PHYSICAL ACHIEVEMENTS DURING 1965/66 AND 1966/67

Crop	Production in 1964/65			Production in 1965/66			Production in 1966/67			Percentage increase or decrease					
										In 1965/66 over 1964/65			In 1966/67 over 1964/65		
	East Pakistan	West Pakistan	Total	East Pakistan	West Pakistan	Total	East Pakistan	West Pakistan	Total	East Pakistan	West Pakistan	Total	East Pakistan	West Pakistan	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
	—thousand tons—														
Wheat	34	4,518	4,552	35	3,854	3,889	58	4,266	4,324	3.0	(—)15.0	(—)15.0	71.0	(—) 6.0	(—) 5.0
Rice	10,337	1,329	11,666	10,335	1,296	11,631	9,424	1,343	10,767	—	(—) 2.0	(—) 9.0	(—) 0.3	1.0	(—) 8.0
Maize	3	520	523	3	531	534	3	578	581	—	2.0	2.0	—	11.0	11.0
Other Foodgrains ..	12	843	855	12	716	728	15	725	740	—	(—)15.0	(—)15.0	25.0	(—)14.0	(—)13.0
Total (Foodgrains)	10,386	7,210	17,596	10,385	6,397	16,782	9,500	6,912	16,412	—	(—)11.0	(—) 5.0	(—) 9.0	(—) 4.0	(—) 7.0
Oil seeds	139	987	1,126	148	1,034	1,182	168	1,147	1,135	7.0	5.0	5.0	21.0	16.0	17.0
Sugarcane	6,231	18,373	24,604	7,550	21,957	29,507	8,070	21,635	29,705	21.0	20.0	20.0	30.0	18.0	21.0
	—thousand bales—														
Jute	5,328	—	5,328	6,364	—	6,364	6,400	—	6,400	19.0	—	19.0	20.0	—	20.0
Cotton	15	2,124	2,139	16	2,331	2,347	15	2,558	2,573	7.0	10.0	10.0	—	20.0	20.0
	—million lbs.—														
Tea	63	—	63	60	—	60	64.5	—	64.5	(—)5.0	—	(—) 5.0	2.0	—	2.0
Tobacco	60	182	242	60	243	303	84	308	392	—	34.0	25.0	40.0	69.0	62.0

15.2 AGRICULTURE: FINANCIAL TARGETS AND ACHIEVEMENTS

(Million Rupees)

S. No.	Sub-Sector	Estimated actual expenditure			Revised allocation of the Third Plan (1965—70)	Percentage implementation (Col. 5 of Col. 6)	ADP Allocation for 1967/68
		1965/66	1966/67	Total (1965/66—1966/67)			
1	2	3	4	5	6	7	8
1.	Agricultural Development Corporation (Administration and General)	2.85	7.87	10.72	99.55	10.8	24.50
2.	Manures and Fertilizers	114.58	129.75	244.33	879.20	27.8	181.66
3.	Plant Protection	40.31	89.97 (0.01)	130.28 (0.01)	583.73	22.3	106.70
4.	Seed Multiplication and Distribution	8.88 (1.38)	16.03 (1.69)	24.91 (3.07)	90.76	24.1	20.99 (2.00)
5.	Mechanisation	26.88 (2.87)	39.56 (4.50)	66.44 (7.37)	417.08	14.2	101.35 (14.70)
6.	Soils	3.05	3.59	6.64	24.64	26.9	5.74
7.	Agricultural Economics and Statistics	0.37	0.21	0.58	11.67	5.0	1.25
8.	Agricultural Marketing	0.73	0.89	1.62	26.94	6.0	5.20 (0.19)
9.	Agricultural Extension	4.35	3.93 (0.16)	8.28 (0.16)	85.02	9.6	13.48 (0.08)
10.	Agricultural Research	2.89	3.50 (0.03)	6.39 (0.03)	91.09	7.0	19.45
11.	Agricultural Education	12.24	22.69	34.93	112.58	31.0	18.76
12.	Soil Conservation	4.62	5.28	9.90	97.12	10.2	12.98
13.	Foodgrain Storage	21.62	19.69	41.31	258.60	16.0	66.50
14.	Colonisation	13.00	16.31	29.31	93.82	31.2	16.75
15.	Animal Husbandry	11.13	12.53	23.66	144.82	16.3	21.82 (0.75)

1	2	3	4	5	6	7	8
16.	Range Management	1.58	1.39	2.97	15.60	19.0	2.41
17.	Forestry	18.37	22.12	40.49	247.17	16.4	37.96
18.	Fisheries	5.71	10.68	16.39	169.38	9.7	30.60 (1.00)
19.	Land Reforms	6.39 (5.67)	7.10 (4.80)	13.49 (10.47)	13.50	22.4	8.34 (6.10)
20.	Co-operatives	5.30	10.88	16.18	104.61	15. 5	13.20
21.	Co-operative Farming on Comilla basis ..	4.97	5.05	10.02	51.68	19.4	10.00
22.	Underdeveloped Areas	1.87	4.56	6.43	31.30	20.5	6.87
23.	Miscellaneous	—	—	—	2.10	—	0.04
24.	Equity capital (Agricultural Development Bank). ..	—	—	—	75.00	—	10.00
25.	Block Provision	—	—	—	370.54	—	—
26.	Basic Democracies and Local Government ..	—	—	—	17.77	—	—
27.	Unaccounted for in West Pakistan	(—)3.44	—	(—)3.44	—	—	—
28.	Unaccounted for in East Pakistan	30.00	—	30.00	—	—	—
	Total ..	338.25 328.33(a)	433.58 422.12(a)	771.83 750.45(a)	4,115.26	18.2	736.55 711.73(b)
	Capital Liability of Government Account:						
	(i) Co-operatives	—	—	—	—	—	—
	(ii) Rural Credit (Taccavi)	10.74	—	10.74	—	—	—
	(iii) Loans to Tea Gardens	—	—	—	—	—	—
	GRAND TOTAL..	348.99 339.07(a)	433.58 422.12(a)	782.57 761.19(a)	4,115.26	18.5	736.55 711.73(b)

Note: Figures in parenthesis indicate recoveries.
(a) These represent net expenditure, i.e., total expenditure incurred less recoveries realised.
(b) These represent net allocations, i.e., total allocations minus recoveries.

15.3 AGRICULTURE: DEVELOPMENT EXPENDITURE BY EXECUTING AGENCIES

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)				1966/67 (Estimated Actual)				Total estimated expenditure during 1965/66 —1966/67
		East Pakistan	West Pakistan	Centre	Total	East Pakistan	West Pakistan	Centre	Total	
1	2	3	4	5	6	7	8	9	10	11
1.	Agricultural Development Corporation (Administration and General)	0.68	2.17	—	2.85	7.87	—	—	7.87	10.72
2.	Manures and Fertilizers ..	39.20	75.38	—	114.58	52.75	77.00	—	129.75	244.33
3.	Plant Protection	18.16	13.10	9.05	40.31	56.01	17.81	16.15	89.97	130.28
						(0.01)			(0.01)	(0.01)
4.	Seed Multiplication and Distribution	4.36	4.52	—	8.88	9.95	6.08	—	16.03	24.91
		(1.38)			(1.38)	(1.69)			(1.69)	(3.07)
5.	Mechanisation	10.23	16.65	—	26.88	16.87	22.69	—	39.56	66.44
		(2.87)			(2.87)	(4.50)			(4.50)	(7.37)
6.	Soils	0.67	1.41	0.97	3.05	0.80	1.28	1.51	3.59	6.64
7.	Agricultural Economics and Statistics	—	0.26	0.11	0.37	0.06	0.02	0.13	0.21	0.58
8.	Agricultural Marketing	0.29	0.05	0.39	0.73	0.41	—	0.48	0.89	1.62
9.	Agricultural Extension	1.06	3.29	—	4.35	1.63	2.30	—	3.93	8.28
						(0.16)			(0.16)	(0.16)
10.	Agricultural Research	0.34	1.94	0.61	2.89	0.17	1.64	1.69	3.50	6.39
						(0.03)			(0.03)	(0.03)
11.	Agricultural Education ..	6.74	5.50	—	12.24	17.13	5.56	—	22.69	34.93
12.	Soil Conservation	0.34	4.28	—	4.62	0.37	4.91	—	5.28	9.90
13.	Foodgrain Storage	12.42	1.86	7.34	21.62	10.15	3.72	5.82	19.69	41.31
14.	Colonization	—	13.00	—	13.00	—	16.31	—	16.31	29.31
15.	Animal Husbandry	4.89	6.24	—	11.13	5.43	7.10	—	12.53	23.66
16.	Range Management	—	1.58	—	1.58	—	1.39	—	1.39	2.97
17.	Forestry	10.52	7.85	—	18.37	11.61	10.51	—	22.12	40.49

1	2	3	4	5	6	7	8	9	10	11
18.	Fisheries	5.02	0.58	0.11	5.71	7.53	1.36	1.79	10.68	16.39
19.	Land Reforms	0.42	5.97 (5.67)	—	6.39 (5.67)	0.84 (0.27)	6.26 (4.80)	—	7.10 (5.07)	13.49 (10.74)
20.	Co-operatives	3.99	1.31	—	5.30	8.85	2.03	—	10.88	16.18
21.	Co-operative Farming on Comilla basis	4.97	—	—	4.97	5.05	—	—	5.05	10.02
22.	Underdeveloped Areas ..	—	—	1.87	1.87	—	—	4.56	4.56	6.43
23.	Miscellaneous	—	—	—	—	—	—	—	—	—
24.	Equity capital (Agricultural Development Bank)	—	—	—	—	—	—	—	—	—
25.	Block Provision	—	—	—	—	—	—	—	—	—
26.	Basic Democracies and Local Government	—	—	—	—	—	—	—	—	—
27.	Unaccounted for in West Pakistan ..	—	(—) 3.44	—	(—) 3.44	—	—	—	—	(—) 3.44
28.	Unaccounted for in East Pakistan ..	30.00	—	—	30.00	—	—	—	—	30.00
	Total..	154.30 150.05(b)	163.50 157.83 (b)	20.45	338.25 328.33 (b)	213.48 206.82 (b)	187.97 183.17 (b)	33.13	433.58 422.12 (b)	771.83 750.45(b)
	Capital Liability on Government Account:									
(i)	Co-operatives	—	—	—	—	—	—	—	—	—
(ii)	Rural Credit (Taccavi) ..	—	10.74	—	10.74	—	—	—	—	10.74
(iii)	Loans to Tea Gardens ..	—	—	—	—	—	—	—	—	—
	GRAND TOTAL..	154.30 150.05(b)	174.24 168.57(b)	20.45	348.99 339.07(b)	213.48 206.82(b)	187.97 183.17(b)	32.13	433.58 422.12(b)	782.57 761.19(b)

Note: Figures in parenthesis indicate rescoveries.
(b) These figures represent net expenditure, i.e., total expenditure incurred less recoveries realised.

15.4 AGRICULTURE: REGIONAL EXPENDITURE IN EAST PAKISTAN

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Agricultural Development Corporation (Administration and General)	—	0.68	0.68	—	7.87	7.87	8.55
2.	Manures and Fertilizers	—	39.20	39.20	—	52.75	52.75	91.95
3.	Plant Protection	5.00	18.16	23.16	8.28	56.01 (0.01)	64.29 (0.01)	87.45 (0.01)
4.	Seed Multiplication and Distribution	—	4.36 (1.38)	4.36 (1.38)	—	9.95	9.95	14.31 (1.38)
5.	Mechanisation	—	10.23 (2.87)	10.23 (2.87)	—	16.87 (1.69)	16.87 (1.69)	27.10 (4.56)
6.	Soils	0.49	0.67	1.16	0.76	0.80	1.56	2.72
7.	Agricultural Economics and Statistics	0.05	—	0.05	0.06	0.06	0.12	0.17
8.	Agricultural Marketing	0.30	0.29	0.59	0.35	0.41	0.76	1.35
9.	Agricultural Extension	—	1.06	1.06	—	1.63 (0.16)	1.63 (0.16)	2.69 (0.16)
10.	Agricultural Research	0.51	0.34	0.85	1.42	0.17 (0.03)	1.59 (0.03)	2.44 (0.03)
11.	Agricultural Education	—	6.74	6.74	—	17.13	17.13	23.87
12.	Soil Conservation	—	0.34	0.34	—	0.37	0.37	0.71
13.	Foodgrain Storage	1.39	12.42	13.81	3.38	10.15	13.53	27.34
14.	Animal Husbandry	—	4.89	4.89	—	5.43	5.43	10.32

1	2	3	4	5	6	7	8	9
15.	Forestry	—	10.52	10.52	—	11.61	11.61	22.13
16.	Fisheries	0.05	5.02	5.07	0.68	7.53	8.21	13.28
17.	Land Reforms	—	0.42	0.42	—	0.84 (0.27)	0.84 (0.27)	1.26 (0.27)
18.	Co-operatives	—	3.99	3.99	—	8.85	8.85	12.84
19.	Co-operative Farming on Comilla basis	—	4.97	4.97	—	5.05	5.05	10.02
20.	Unaccounted for in East Pakistan	—	30.00	30.00	—	—	—	30.00
	Total ..	7.79	154.30 150.05(b)	162.09 157.84(b)	14.93	213.48 206.82(b)	228.41 221.75(b)	390.50 379.59(b)

Note : Figures in parenthesis indicate recoveries.

(b) These figures represent net expenditure, i.e., total expenditure incurred less recoveries realised.

15.5 AGRICULTURE: REGIONAL EXPENDITURE IN WEST PAKISTAN

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Agricultural Development Corporation (Administration and General)	—	2.17	2.17	—	—	—	2.17
2.	Manures and Fertilizers	—	75.38	75.38	—	77.00	77.00	152.38
3.	Plant Protection	4.05	13.10	17.15	7.87	17.81	25.68	42.83
4.	Seed Multiplication and Distribution	—	4.52	4.52	—	6.08	6.08	10.60
5.	Mechanisation	—	16.65	16.65	—	22.69	22.69	39.34
6.	Soils	0.48	1.41	1.89	0.75	1.28	2.03	3.92
7.	Agricultural Economics and Statistics	0.06	0.26	0.32	0.07	0.02	0.09	0.41
8.	Agricultural Marketing	0.09	0.05	0.14	0.13	—	0.13	0.27
9.	Agricultural Extension	—	3.29	3.29	—	2.30	2.30	5.59
10.	Agricultural Research	0.10	1.94	2.04	0.27	1.64	1.91	3.95
11.	Agricultural Education	—	5.50	5.50	—	5.56	5.56	11.06
12.	Soil Conservation	—	4.28	4.28	—	4.91	4.91	9.19
13.	Foodgrain Storage	5.95	1.86	7.81	2.44	3.72	6.16	13.97
14.	Colonization	—	13.00	13.00	—	16.31	16.31	29.31
15.	Animal Husbandry	—	6.24	6.24	—	7.10	7.10	13.34
16.	Range Management	—	1.58	1.58	—	1.39	1.39	2.97

1	2	3	4	5	6	7	8	9
17. Forestry		—	7.85	7.85	—	10.51	10.51	18.36
18. Fisheries		0.06	0.58	0.64	1.11	1.36	2.47	3.11
19. Land Reforms		—	5.97 (5.67)	5.97 (5.67)	—	6.26 (4.80)	6.26 (4.80)	12.23 (10.47)
20. Co-operatives		—	1.31	1.31	—	2.03	2.03	3.34
21. Underdeveloped areas		1.87	—	1.87	4.56	—	4.56	6.43
22. Unaccounted for in West Pakistan		—	(—) 3.44	(—) 3.44	—	—	—	(—) 3.44
	Total ..	12.66	163.50 157.83(b)	176.16 170.49(b)	17.20	187.97 183.17(b)	205.17 200.37(b)	381.33 370.86(b)
Capital Liability on Government Account								
Rural Credit (Taccavi)		—	10.74	10.74	—	—	—	10.74
	GRAND TOTAL ..	12.66	174.24 168.57(b)	186.90 181.23(b)	17.20	187.97 183.17(b)	205.17 200.37(b)	392.07 381.60(b)

Note : The figures in parenthesis indicate recoveries.

(b) These figures represent net expenditure i.e. total expenditure incurred less recoveries realised.

16.1 MANUFACTURING AND MINING: PHYSICAL TARGETS AND ACHIEVEMENTS

S. No.	Sub-Sector/Item	Unit	Base Year Achievement/ Production (1964/65)	Estimated/Actual Achievement		Third Plan Target (1965-70)	Fercentage Implementation (Col. 6 of Col. 7)	Proposed Target 1967/68	Estimated Target for 1968/69—1969/70
				1965/66	1966/67				
1	2	3	4	5	6	7	8	9	10
1.	White Sugar	Thousand tons	231.9	456.0	416.5	640	65.0	455	—
2.	Vegetable Ghee	,,	96.6	105.5	87.9	140	62.8	104	—
3.	Jute goods	,,	289.1	409.4	402.8	800	50.4	420	—
4.	Paper and Board	,,	103.1	99.5	96.7	300	32.23	106	—
5.	Ammonium Sulphate	,,	34.8	38.4	42.2		—	50	—
6.	Ammonium Nitrate	,,	74.9	N.A.	N.A.	2,500*	—	118	—
7.	Urea	,,	115.9	132.0	140.1		—	170	—
8.	Superphosphate (Single)	,,	8.0	7.9	4.0	550†	—	30	—
9.	Cement	,,	1,685.0	1,650.0	2,080.0	6,000	34.7	2,400	—
10.	Soda Ash	,,	33.8	31.5	31.0	172	18	70	—
11.	Cotton yarn	Million lbs.	518	500.7	528.2	720	73.4	549	—
12.	Cigarettes	Million	19,841	26,450	32,046	30,000	106.8	35,000	—
13.	Coal	Thousand tons	1,237	1,180	—	3,000	—	—	—
14.	Natural gas	Million c.ft.	62,896	74,035	79,980	200,000	40	—	—
15.	Rock salt	Thousand tons	230	266.5	308.1	400	77.2	—	—
16.	Chromite	,,	13	14.3	26.7	50	53.4	—	—
17.	Silica sand	,,	28	30.6	36.1	50	72.2	—	—
18.	Limestone	,,	1,906	1,912.2	2,220.7	7,000	31.7	—	—
19.	Gypsum	,,	170	147.1	111.2	660	16.8	—	—
20.	Sea salt	,,	219	192	330	450	73.3	—	—
21.	Petroleum (crude oil)	Thousand Imp. Gallons.	131,578	—	—	200,000	—	—	—

*In terms of Ammonium Sulphate. †In terms of Triple Superphosphate.

16.2 INVESTMENTS SANCTIONED IN PRIVATE SECTOR OF INDUSTRIES IN PAKISTAN DURING 1965/66—1966/67

(Million Rupees)

S. No.	Item	East Pakistan			West Pakistan			Total		
		Internal	External	Total	Internal	External	Total	Internal	External	Total
1	2	3	4	5	6	7	8	9	10	11
1.	Food manufacturing	15.84	16.53	32.37	86.71	86.55	173.26	102.55	103.08	205.63
2.	Beverages	—	0.21	0.21	0.21	0.41	0.62	0.21	0.62	0.83
3.	Tobacco manufactures	7.52	9.67	17.19	0.25	1.63	1.88	7.77	11.30	19.07
4.	Manufacture of Textiles	272.07	248.01	520.08	288.55	368.83	657.38	560.62	616.84	1177.46
5.	Footwear and apparel	1.29	0.78	2.07	0.92	3.90	4.82	2.21	4.68	6.89
6.	Manufacture of wood cork and allied products ..	0.62	0.73	1.35	2.02	1.69	3.71	2.64	2.42	5.06
7.	Manufactures of furniture and fixture ..	1.62	0.47	2.09	1.23	0.71	1.94	2.85	1.18	4.03
8.	Paper and paper products	2.96	5.83	8.79	59.48	35.59	95.07	62.44	41.42	103.86
9.	Printing and publishing	6.08	4.78	10.86	6.53	7.00	13.53	12.61	11.78	24.39
10.	Manufacture of leather and leather products ..	0.94	0.46	1.40	9.36	8.98	18.34	10.30	9.44	19.74
11.	Rubber products	2.05	1.18	3.23	1.05	2.25	3.30	3.10	3.43	6.53
12.	Chemicals and fertilizers	14.99	11.66	26.65	116.56	110.54	227.10	131.55	122.20	253.75
13.	Manufacture of petroleum coal and gas ..	0.20	0.20	0.40	31.33	27.62	58.95	31.53	27.82	59.35
14.	Petro-chemicals	0.40	0.23	0.63	76.02	68.01	144.03	76.42	68.24	144.66
15.	Non-metallic mineral products (except coal and gas)	27.90	15.70	43.60	16.81	17.54	34.35	44.71	33.24	77.95
16.	Basic metal industries	3.20	6.89	10.09	24.33	20.16	44.49	27.53	27.05	54.58

17.	Metal products (except machinery and transport equipment)	2.64	3.50	6.14	35.64	26.34	61.98	38.28	29.84	68.12
18.	Machinery (except electrical machinery) ..	14.35	4.78	9.13	29.52	36.07	65.59	33.87	40.85	74.72
19.	Electrical machinery apparatus and appliances ..	21.78	20.32	42.10	27.22	29.07	56.29	49.00	49.39	98.39
20.	Transport equipment	23.61	24.52	28.13	1.08	1.51	2.59	24.69	26.03	50.72
21.	Miscellaneous industries..	7.28	7.01	14.29	25.64	29.61	55.25	32.92	36.62	69.54
22.	Services industries	28.20	10.37	38.57	10.22	4.19	14.41	38.42	14.86	52.98
23.	Industries not classified elsewhere	4.95	7.66	12.61	7.91	7.89	15.80	12.86	15.55	28.41
	Total ..	450.49	401.49	851.98	858.58	896.08	1,754.66	1,309.07	1,297.57	2,606.64

16.3 MANUFACTURING: FINANCIAL TARGETS AND ACHIEVEMENTS

(Million Rupees)

S. No.	Sub-Sector	Estimated Actual Expenditure			Revised Allocation of Third Plan (1965—70)	Percentage Implementation (Col. 5 of Col. 6)	Estimated Expenditure (1967/68)	Proposed* Expenditure (1968/69—1969/70)
		1965/66	1966/67	Total 1965—67				
1	2	3	4	5	6	7	8	9
1.	Food Manufactures (Sugar)	54.72	65.63	120.35	167.50	71.8	27.23	16.73
2.	Manufacture of Textiles—							
	(a) Jute	10.84	13.90	24.74	124.46	23.9	9.25	85.20
	(b) Cotton	5.05	—	5.05				
3.	Wood Cork	1.74	12.50	14.24	64.59	22.0	7.70	97.55
4.	Paper and Paper products	11.12	14.20	25.32	254.36	9.9	75.12	102.39
5.	Printing and Publishing	2.52	5.82	8.34	14.50	57.5	6.50	2.26
6.	Chemical Industries	16.18	38.24	54.42	801.84	6.8	151.39	679.96
7.	Products of Petro, Coal and Gas	—	—	—	39.40	—	11.20	20.25
8.	Petro-chemicals	—	0.03	0.03	200.00	—	—	198.00
9.	Non-metallic Mineral Products (cement)	48.33	14.83	63.16	150.02	42.1	45.52	46.20
10.	Basic Metal Products	90.15	98.03	188.18	351.50	53.5	50.02	198.10
11.	Metal Products Industries	0.61	—	0.61	54.87	1.1	3.73	138.22
12.	Machinery except Electrical	14.94	45.30	60.24	371.29	16.2	103.51	396.53
13.	Electrical Machinery, etc.	0.21	5.69	5.90	198.00	3.0	23.63	123.66
14.	Transport Equipment	7.88	12.33	20.21	121.87	16.6	22.96	77.47
15.	Miscellaneous Industries	2.08	5.93	8.01	66.84	12.0	19.40	22.39
16.	Industrial Estates	8.78	13.01	21.79	137.50	15.8	11.01	79.47
17.	Small Industries Promotional Schemes	32.86	28.95	61.81	287.81	21.5	29.17	66.10
18.	Scientific and Industrial Research	18.14	18.44	36.58	107.00	34.2	20.68	—
	Total	326.15	392.83	718.98	3,513.35	20.5	618.02	2,350.48

*Where the proposed expenditure during 1969/70 has not been indicated by the Executing agencies, the figures in A.D.P. have been adopted.

16.4 MANUFACTURING: DEVELOPMENT EXPENDITURE BY EXECUTING AGENCIES

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)				1966/67 (Estimated Actual)				Total Estimated expenditure 1965/66—1966/67
		East Pakistan	West Pakistan	Centre	Total	East Pakistan	West Pakistan	Centre	Total	
1	2	3	4	5	6	7	8	9	10	11
1.	Large Industries	194.56	69.30	20.65	284.51	268.85	58.74	23.28	350.87	635.38
2.	Small Industries	12.04	9.49	11.33	32.86	8.14	10.15	10.66	28.95	61.81
3.	Industrial Estates	6.78	2.00	—	8.78	7.89	5.12	—	13.01	21.79
	Total ..	213.38	80.79	31.98	326.15	284.88	74.01	33.94	392.83	718.98

16.5 MANUFACTURING: REGIONAL EXPENDITURE IN EAST PAKISTAN

(Million Rupees)

S. No.	Sub-Sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total estimated expenditure during 1965/66—1966/67
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Large Industries	10.32	194.56	204.88	11.64	268.85	280.49	485.37
2.	Small Industries	5.66	12.04	17.70	5.33	8.14	13.47	31.17
3.	Industrial Estates	—	6.78	6.78	—	7.89	7.89	14.67
	Total ..	15.98	213.38	229.36	16.97	284.88	301.85	531.21

16.6 MANUFACTURING: REGIONAL EXPENDITURE IN WEST PAKISTAN

(Million Rupees)

Sl. No.	Sub-sector	1965/66 (Actual)			1966/67 (Estimated Actual)			Total Estimated expenditure (1965/66—1966/67)
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	Large Industries	10.33	69.30	79.63	11.64	58.74	70.38	150.01
2.	Small Industries	5.67	9.49	15.16	5.33	10.15	15.48	30.64
3.	Industrial Estates	—	2.00	2.00	—	5.12	5.12	7.12
	Total ..	16.00	80.79	96.79	16.97	74.01	90.98	187.77

16.7 MINING: FINANCIAL TARGETS AND ACHIEVEMENTS

(Million Rupees)

S. No.	Sub-Sector	Estimated	Actual	Expenditure	Revised Allocation of Third Plan 1965—70	Percentage Implementation (Col. 5 of Col. 6)	Estimated Expenditure (1967/68)	Proposed estimated Expenditure (1968/69-1969/70)
		1965/66	1966/67	Total (1965/66-1966/67)				
1.	2	3	4	5	6	7	8	9
1.	Geological Survey Activities	6.17	4.66	10.83	70.50	15.3	N.A.	46.76
2.	Development of oil and gas (Russian Aided) ..	34.79	58.17	92.96	250.00	37.1	49.27	94.49
3.	Oil and Gas Prospecting (Private Companies) ..	6.00	4.60	10.60	36.00	29.4	5.30	31.00
4.	Gas Transmission and Distribution	—	—	—	80.00	—	—	—
5.	Coal and Peat Production	13.16	16.55	29.71	96.12	30.9	8.00	42.20
6.	Training and Research	—	4.30	4.30	59.38		5.65	1.40
7.	Selected Minerals and other Projects	2.17	4.66	6.83		18.3	2.81	30.43
	Total: ..	*62.29*	*92.94*	*155.23*	*592.00*	26.2	71.03	246.28

16.8 MINING: DEVELOPMENT EXPENDITURE BY EXECUTING AGENCIES

(Million Rupees)

S. No.	Sub-Sector	Estimated Actual Expenditure								Total Estimated Actual Expenditure 1965/66 —1966/67
		1965/66				1966/67				
		East Pakistan	West Pakistan	Centre	Total	East Pakistan	West Pakistan	Centre	Total	
1	2	3	4	5	6	7	8	9	10	11
1.	East Pakistan Industrial Development Corporation	1.57	—	—	1.57	6.44	—	—	6.44	8.01
2.	West Pakistan Industrial Development Corporation	—	13.76	—	13.76	—	14.78	—	14.78	28.54
3.	Oil and Gas Development Corporation and Natural Resources Division (Govt. share of investment through private oil companies) ..	—	—	46.96	46.96	—	—	71.72	71.72	118.68
	Total: ..	1.57	13.76	46.96	62.29	6.44	14.78	71.72	92.94	155.23

16.9 MINING: REGIONAL EXPENDITURE IN EAST PAKISTAN

(Million Rupees)

S. No.	Sub-sector	Estimated Actual Expenditure						Total estimated expenditure (1965/66—1966/67)
		1965/66			1966/67			
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	East Pakistan Industrial Development Corporation	—	1.57	1.57	—	6.44	6.44	8.01
2.	Oil and Gas Development Corporation and Natural Resources Division (Govt. share of investment through private oil companies	23.48	—	23.48	35.86	—	35.86	59.34
	Total ..	23.48	1.57	25.05	35.86	6.44	42.30	67.35

16.10 MINING: REGIONAL EXPENDITURE IN WEST PAKISTAN

(Million Rupees)

S. No.	Sub-sector	Estimated Actual Expenditure						Total estimated expenditure (1965/66—1966/67)
		1965/66			1966/67			
		Central Expenditure	Provincial Expenditure	Total	Central Expenditure	Provincial Expenditure	Total	
1	2	3	4	5	6	7	8	9
1.	West Pakistan Industrial Development Corporation	—	13.76	13.76	—	14.78	14.78	28.54
2.	Oil and Gas Development Corporation and Natural Re sources Division (Govt. share of investment through private oil companies)	23.48	—	23.48	35.86	—	35.86	59.34
	Total :	23.48	13.76	37.24	35.86	14.78	50.64	87.88

17.1 WORKS PROGRAMME: PHYSICAL ACHIEVEMENTS IN EAST PAKISTAN

S. No.	Sector/Items	Unit	Base year production/ achievement (1964/65)	Physical Achievements		
				1965/66	1966/67*	Total (Col. 5+ 6)
1.	2	3	4	5	6	7
I. Communications Sector:						
1.	Kutcha Road	Mile	28,410	17,841	16,678	34,519
2.	Pucca Road	„	1,080	742	446	1,188
3.	Bridges and culverts	Number	300,415	11,980	8,585	20,565
II. Building Sector:						
4.	Thana Training Development Centre	Number	—	225	831	1,693
5.	Union Community Centre	„	1,742	586		
6.	Town/Municipal Halls	„	—	6		
7.	Coastal Community Centre	„	—	22		
8.	Markets/Shopping Centre	„	—	23		
III. Flood Protection and Irrigation Sector:						
9.	Embankment	Mile	3,654	2,324	1,560	3,884
10.	Canals and drainage	„	5,357	953	1,562	2,515
IV. Others :						
11.	Re-excavation of tanks	Number	—	57	72	129
12.	Parks and playgrounds	„	—	24	7	31

*Provisional

17.2 WORKS PROGRAMME: PHYSICAL ACHIEVEMENTS IN WEST PAKISTAN

S. No.	Sub-Sector	Unit	Base year production/achievement 1964/65	Physical Achievements		
				1965/66	1966/67	Total (Col. 5+6)
1.	2	3	4	5	6	7
I.	*Transport and Communications:*					
1.	Metalled Roads	Mile	121	224	98	322
2.	Treated Roads	,,	500	865	339	1,204
3.	Kutcha Roads	,,	3,300	1,443	817	2,260
4.	Bridges	Number	—	60	6	66
5.	Culverts	.	2,000	3,220	800	4,020
II.	*Health and Sanitation:*					
6.	Hand Pumps	Number	—	5,474	237	5,711
7.	Diggies, tanks, etc. ..	,,	—	78	200	278
8.	Civil Dispensaries	,,	—	279	73	352
9.	Number of drains	,,	—	98	20	118
III.	*Water, Power and Irrigation:*					
10.	Number of Tube-wells ..	Number	—	103	7	110
11.	Number of open surface wells	,,	—	605	172	777
17.	Number of Karazes ..	,,	—	187	80	267
IV.	*Education:*					
13.	Number of Schools ..	Number	2,900	1,480	422	1,902
V.	*Social Welfare and Housing:*					
14.	Community Centres ..	Number	—	398	160	558
VI.	*Agriculture:*					
15.	Number of Veterinary Dispensaries	Number	—	129	26	155
16.	Other and Unclassified projects	,,	—	236	173	409

17.3 WORKS PROGRAMME: PHYSICAL ACHIEVEMENTS IN AZAD KASHMIR AND NORTHERN AREAS

S. No.	Sector/Items	Unit	Base year production/ achievement 1964/65	Physical Achievements		
				1965/66	1966/67*	Total (Col. 5+6)
1.	2	3	4	5	6	7
A. Azad Kashmir:						
I. Roads and Communications:						
1.	Vehicular Roads ..	Mile	—	64	50	114
2.	Pony Tracks	,,	—	16	16	32
3.	Vehicular Bridges ..	Number	—	1	3	4
4.	Foot Bridges	,,	—	—	31	31
5.	Maintenance of Roads ..	Mile	—	—	30	30
II. Physical Planning and Housing:						
6.	District Council Offices ..	Number	—	2	Extension of existing offices	2
7.	Tehsil Council Offices ..	,,	—	2	3	5
8.	Union Council Offices ..	,,	—	31	41	72
9.	Residential Quarters ..	,,	—	2	3	5
10.	Community Hall ..	,,	—	2	—	2
III. Education:						
11.	High School Buildings ..	,,	—	—	9	9
12.	Middle School Buildings ..	,,	—	42	22	64
13.	Primary Schools	,,	—	—	3	3
14.	Girls Schools	,,	—	—	54	54
IV. Irrigation:						
15.	Kools	,,	—	—	8	8
16.	Lift pumps	,,	—	7	11	18
V. Health and Sanitation:						
17.	Dispensaries	,,	—	2	7	9
18.	Slaughter House	,,	—	—	1	1
19.	Bowlies	,,	—	—	2	2
VI. Rural Water Supply:						
20.	Water Tanks	,,	—	5	13	18
21.	Ponds	,,	—	—	1	1

1	2	3	4	5	6	7
B. Gilgit Agency:						
	I. Water and Power:					
1.	Irrigation Canals	Number of Schemes	—	39	38	77
2.	Water Tanks					
3.	Bowlies					
4.	Drinking water tanks ..					
	II. Transport and Communications:					
5.	Bridle path	-do-	—	4	8	12
6.	Pony track					
7.	Foot bridges					
8.	Forest feeder road					
	III. Housing and Buildings:					
9.	School Buildings	-do-	—	4	14	18
10.	Union Council Office Buildings					
11.	Veterinary Dispensary buildings					
C. Baltistan Agency:						
	I. Water and Power :					
1.	Irrigation canals	-do-	—	12	12	24
2.	Water Tanks					
3.	Bowlies					
4.	Drinking Water Tanks ..					
	II. Transport and Communications:					
5.	Bridle path	-do-	—	9	8	17
6.	Pony track					
7.	Foot Bridges					
8.	Forest feeder roads					
	III. Physical Planning and Housing:					
9.	School Buildings	-do-	—	3	2	5
10.	Union Council Office Buildings					
11.	Veterinary Dispensary Buildings					

17.4 WORKS PROGRAMME: FINANCIAL TARGETS AND ACHIEVEMENTS

(Million Rupees)

S. No.	Sector	Estimated actual expenditure			Revised Allocation of Third Plan (1965—70)	Percentage implementation (Col. 5 of Col. 6)	A. D. P. Allocation for 1967/68	Estimated requirements for 1968/69 and 1969/70
		1965/66	1966/67	Total (1965/66 —1966/67)				
1.	2	3	4	5	6	7	8	9
1.	Rural Works Programme	190.73	143.86	334.59	1,820.00	18.39	274.00	1,211.41

17.5 WORKS PROGRAMME: FINANCIAL TARGETS AND ACHIEVEMENTS IN EAST PAKISTAN

(Million Rupees)

S. No.	Items	Estimated actual expenditure			Reviced Allocation of Third Plan (1965-70)	Percentage implementation. (Col 5 of Col 6)	A.D.P. Allocation for 1967/68	Estimated requirements for 1968/69 and 1969/70
		1965/66	1966/67	Total (1965/66 1966/67)				
1	2	3	4	5	6	7	8	9
1.	Kutcha Road	27.12	31.94	59.06				
2.	Pucca Road	17.45	19.60	37.05				
3.	Bridges and Culverts	26.56	33.35	59.91				
4.	Canals	3.31	6.78	10.09				
5.	Embankments	3.17	6.60	9.77				
6.	Tanks	0.24	0.22	0.46				
7.	Thana Training Development Centres	10.79			1,200.00	—	170.00	808.37
8.	Union Community Centres ..	4.12						
9.	Town/Municipal Halls	0.15	16.19	32.36				
10.	Coastal Community Centres ..	0.43						
11.	Markets and Shopping Centres ..	0.68						
12.	Parks and Playgrounds.. ..	0.12	0.05	0.17				
13.	Planning, Evaluation, Administration and Documentation	6.41	6.35	12.76				
	Total ..	100.55	121.08	221.63	1,200.00	18.5	170.00	808.37

17.6 WORKS PROGRAMME: FINANCIAL TARGETS AND ACHIEVEMENTS IN WEST PAKISTAN

(Million Rupees)

S. No.	Sub-Sector	Estimated actual expenditure			Revised Allocation of Third Plan (1965-70)	Percentage implementation (Col. 5 of Col. 6)	A. D. P. Allocation for 1967/68	Estimated requirements for 1968/69 and 1969/70
		1965/66	1966/67	Total (1965/66-1966/67)				
1.	2	3	4	5	6	7	8	9
1.	Transport and Communications	38.40	8.00	46.40	600.00	—	100.00	397.70
2.	Health and Sanitation	14.70	2.60	17.30				
3.	Water, Power and Irrigation	4.00	1.20	5.20				
4.	Education	15.60	2.80	18.40				
5.	Social Welfare and Housing	6.10	1.20	7.30				
6.	Agriculture	2.30	0.70	3.00				
7.	Other and unclassified	4.60	0.10	4.70				
8.	Contingencies	2.00	3.00	5.00				
	Total ..	87.70	19.60	107.30	600.00	17.9	100.00	397.70

17.7 WORKS PROGRAMME: FINANCIAL TARGETS AND ACHIEVEMENTS IN CENTRE

(Million Rupees)

S. No.	Area	Estimated actual expenditure			Revised Allocation of Third Plan (1965-70)	Percentage implementation (Col. 5 of Col. 6)	A. D. P. Allocation for 1967/68	Estimated requirements for 1968/69 and 1969/70
		1965/66	1966/67	Total (1965/66-1966/67)				
1.	2	3	4	5	6	7	8	9
1.	Azad Kashmir	1.50	1.95	3.45	12.50	27.60	2.50	6.55
2.	Gilgit	0.55	0.61	1.16	3.80	30.53	0.75	1.89
3.	Baltistan	0.43	0.62	1.05	3.70	28.37	0.75	1.90
	Total ..	2.48	3.18	5.66	20.00	28.30	4.00	10.34

17.8 WORKS PROGRAMME: DEVELOPMENT EXPENDITURE BY EXECUTING AGENCIES

(Million Rupees)

S. No.	Sector	1965/66 (Actual)				1966/67 (Estimated Actual)				Total Estimated Expenditure during 1965/66-1966/67
		East Pakistan	West Pakistan	Centre	Total	East Pakistan	West Pakistan	West	Total	
	Rural Works Programme	100.55	87.70	2.48	190.73	121.08	19.60	3.18	143.86	334.59

GLOSSARY

One Lakh (1,00,000)	One Hundred Thousand (100,000)
Ten Lakh (10,00,000)	One Million (1,000,000)
One Crore (1,00,00,000)	Ten Million (10,000,000)

Units of Measurement

One Maund	82.286 lbs.
One Seer	2.057 lbs.
One Ton	2,240 lbs.
One Acre	4,840 sq. yds.
One Acre	0.4047 Hectare
One Bale (Jute)	400 lbs.
One Bale (Cotton)	392 lbs.

Currency Equivalent

One Rupee (100 paisa)	0.21 Dollar (U.S.) 0.0875 Pound Sterling.